**CABINET
AGENDA**
for the meeting
on
8 July 2019 at
6.30 pm

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Cabinet Seating Plan

Minority Group Members

Press

Members

Shadow Cabinet
6 seats

Guest Speakers

Officers

Deputy Cabinet Members

Executive Director - Place	Louisa Woodley
Stuart King (voting Job Share)	Jane Avis
Paul Scott (non-voting Job Share)	Oliver Lewis
Hamida Ali	Manju Shahul-Hameed
Alisa Flemming	Simon Hall
Executive Director - Resources	Section 151 Officer
Chief Executive	Stuart Collins (Deputy Leader)

Executive Director - Health, Wellbeing & Adults

Deputy Cabinet Members

Officers

Executive Director - Children, Families and Education

Executive Director - Gateway, Strategy & Engagement

Tony Newman (Leader)

Alison Butler (Statutory Deputy Leader)

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To: Croydon Cabinet Members:

Councillor Tony Newman, Leader of the Council - Budget and Strategic Policy
Councillor Alison Butler, Deputy Leader (Statutory) and Cabinet Member for Homes & Gateway Services
Councillor Stuart Collins, Deputy Leader and Cabinet Member for Clean Green Croydon
Councillor Hamida Ali, Cabinet Member for Safer Croydon & Communities
Councillor Jane Avis, Cabinet Member for Families, Health & Social Care
Councillor Alisa Flemming, Cabinet Member for Children. Young People & Learning
Councillor Simon Hall, Cabinet Member for Finance & Resources
Councillor Stuart King, Cabinet Member for Environment, Transport & Regeneration (Voting - Job Share)
Councillor Oliver Lewis, Cabinet Member for Culture, Leisure & Sport
Councillor Paul Scott, Cabinet Member for Environment, Transport & Regeneration (Non-Voting - Job Share)
Councillor Manju Shahul-Hameed, Cabinet Member for Economy and Jobs

Invited participants:
Councillor Louisa Woodley, Chair of the Health & Wellbeing Board
All other Members of the Council

A meeting of the **CABINET** which you are hereby summoned to attend, will be held on **Monday, 8 July 2019** at **6.30 pm** in **Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX**

JACQUELINE HARRIS BAKER   Victoria Lower
Council Solicitor and Monitoring Officer   020 8726 6000 x14773
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Bernard Weatherill House   www.croydon.gov.uk/meetings
8 Mint Walk, Croydon CR0 1EA   28 June 2019

Members of the public are welcome to attend this meeting. If you require any assistance, please contact officer as detailed above.
The meeting webcast can be viewed here: http://webcasting.croydon.gov.uk
The agenda papers are available on the Council website
www.croydon.gov.uk/meetings

AGENDA – PART A

1. **Apologies for Absence**

2. **Minutes of the previous meeting** (Pages 7 - 20)

   To approve the minutes of the meeting held on 10 June 2019 as an accurate record.

3. **Disclosure of Interests**

   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 to the value of which exceeds £50 or multiple gifts and/or instances of hospitality with a cumulative value of £50 or more when received from a single donor within a rolling twelve month period. 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 and handing it to the Democratic Services representative 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 of any business not on the agenda which in the opinion of the Chair, by reason of special circumstances, be considered as a matter of urgency.

Cabinet Member: Cabinet Member for Finance & Resources and Cabinet Member for Economy & Jobs

5. **Croydon Digital Strategy** (Pages 21 - 84)

   Officer: Jacqueline Harris Baker
   Key decision: no

Cabinet Member: Leader of the Council and Cabinet Member for Finance & Resources

6. **July Financial Review** (Pages 85 - 108)

   Officer: Jacqueline Harris Baker
   Key decision: no

Cabinet Member: All Cabinet Members

7.   **Stage 2 Responses to Recommendations arising from Scrutiny & Overview Committee on 30 April 2019** (Pages 109 - 112)

Officer: Jacqueline Harris Baker
Key decision: no

Cabinet Member: Cabinet Member for Finance & Resources

8.   **Investing in our Borough** (Pages 113 - 120)

Officer: Jacqueline Harris Baker
Key decision: no

Cabinet Member: Cabinet Member for Families, Health & Social Care, Cabinet Member for Homes & Gateway Services and Cabinet Member for Finance & Resources

a)   **Adult Social Care Dynamic Purchasing System (DPS) Procurement Strategy** (Pages 121 - 134)

Officer: Guy Van Dichele
Key decision: no

Cabinet Member: Cabinet Member for Children, Young People & Learning and Cabinet Member for Finance & Resources

b)   **Commissioning of School Places for Pupils with SEND - The Beckmead Trust & Enhanced Learning Provisions with mainstream schools** (Pages 135 - 144)

Officer: Robert Henderson
Key decision: yes

9.   **Exclusion of the Press and Public**

The following motion is to be moved and seconded where it is proposed to exclude the press and public from the remainder of a meeting:

"That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items 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."

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Cabinet

Meeting held on Monday, 10 June 2019 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillor Tony Newman (Chair);

Councillor Alison Butler, Stuart Collins, Hamida Ali, Jane Avis, Alisa Flemming, Simon Hall, Stuart King (voting – Job Share), Oliver Lewis, Paul Scott (non-voting – Job Share) and Manju Shahul-Hameed

Also Present: Councillor Tim Pollard, Jason Cummings, Jason Perry, Mario Creatura, Maria Gatland, Lynne Hale, Simon Hoar, Yvette Hopley, Helen Pollard, Sean Fitzsimons, Robert Ward, Clive Fraser, Leila Ben-Hassel, Janet Campbell, Sherwan Chowdhury, Patsy Cummings, Nina Degrads, Patricia Hay-Justice, Bernadette Khan, Joy Prince, Andy Stranack, David Wood and Louisa Woodley

Apologies: Councillor Shafi Khan

PART A

44/19   **Minutes of the previous meeting**

The part A minutes of the Cabinet meeting held on 7 May 2019 were agreed. The Leader of the Council signed the minutes as an accurate record.

45/19   **Disclosure of Interests**

There were none.

46/19   **Urgent Business (If any)**

There were no items of urgent business.

47/19   **The Public Health Approach to Addressing Violence in Croydon**

The Cabinet Member for Safer Croydon & Communities gave a presentation on the public health approach to addressing violence in Croydon, an approach which recognised that violence was a complex issue and sought to address the root causes through a whole system approach.

The Vulnerable Adolescent Review which was commissioned by the Children Safeguarding Board had been important in Croydon and the key findings of the report helped shape some of the report.

Members were informed that youth violence in Croydon had seen an ongoing reduction of 11% which outperformed the London average. Additionally, substantial reductions in serious youth violence had been experienced and a reduction of 17% of knife crime had also been seen. While the reduction in crime was encouraging, and over the past five years it was the first time Croydon had dropped below the London average, it was recognised that more needed to be done to reduce crime further and for there to be a sustained reduction.

To realise a sustained reduction in crime the ambition was to treat the source of the issue by looking at the root causes and not just addressing the violence itself. In response to the Vulnerable Adolescent Review and the Director of Public Health's annual report on the first 1,000 days of a person's life, the council had recognised that trauma in early life could have a lasting impact on a person's life. As such, a cultural shift was required to design solutions which addressed issues at an early age and young people did not fall off the radar of partnership organisations. To support the embedding of the cultural shift it was recognised that there was need to ensure impact of trauma was understood by all and interventions were targeted.

The priorities of the public health approach were outlined to Members as building an understanding across all organisations regarding the impact of trauma, ensuring hard to reach communities were being approached, supporting young people in the wider community and family, recognising culture, and ensuring a truly collaborative approach among all involved in tackling the issue.

The Cabinet Member informed Members that work was ongoing to ensure the Croydon approach was in line with the approach being developed by the London Violence Reduction Unit to ensure consistency. Whilst the Croydon Unit would not provide a frontline response, it was intended to seek to influence a range of disciplines both in the council and outside organisations to work together to deliver a public health approach to tackling violence.

Lib Peck, Director of the Violence Reduction Unit at MOPAC, informed Members that the London Violence Reduction Unit had been launched by the Mayor in 2018 and there were representatives from across the board working on delivering the initiative.

The Director of the VRU stated that she felt there was great ambition in Croydon to deliver this approach. By adopting the public health approach it was noted that violence was being looked in its context, and by looking at a child's journey you were moving away from the view that violence is inevitable. By using evidence, such as the review of the Vulnerable

Adolescents, the Director stated that you can drive change through a partnership ethos.

The Cabinet Member noted that the work to achieve a reduction in violence covered a number of Cabinet Member portfolios to ensure children and young people had the best start in life, and encouraged discussions with Members to ensure there was a collaborative approach.

In response to Member questions the Cabinet Member stated that the Policy Framework gave clear actions on the delivery of the ambition, and built upon the earlier reports which had gone to Cabinet in January 2019 and November 2018. It was recognised that it was important for the council to set the director on how to tackle violence through a multi-agency approach.

The Cabinet Member recognised that it was good practice to highlight possible risks, however it was felt that there had been good engagement across the board; including Headteachers and the BME forum, and that there had been buy-in by all involved.

Members were informed that the Safer Croydon Board had discussed the data involved and the Cabinet Member stated that there would be investments to ensure that the Unit had all the data to paint an accurate picture of the situation. The governance of the public health approach had also been approached and as the Unit would be a council body it would have all the necessary governance and oversight. Whilst it was noted that the successful delivery of the approach went across several Cabinet Member portfolios there was support from across the Cabinet to deliver this approach, and from partner organisations also.

In response to Member questions the Cabinet Member stated that there were clear funding streams available and that it was ambition of the council to seek the available funding. However, the Unit would look across the whole system and seek to make changes which can effect change, such as early help. Additionally, it was noted that work would proceed to scale up work already been undertaken such as the Public Health had committed to fund some of the training around the impact of trauma.

The Cabinet Member stated that it was important to learn from reviews to ensure that the damage to people's lives did not happen anymore. By understanding violence in a broad sense it was recognised that it would be important that connections were not lost and so the Unit would be working with organisations to ensure the connections are made.

It was recognised by Members that the issue of violence was not just a Croydon matter, and that it would be important to work collaboratively with other boroughs and share lessons learnt nationally. In response the Cabinet Member confirmed that she had been building relationships with counterparts in other boroughs and was sharing lessons learnt with the Community Safety Network.

In response to Members, the Cabinet Member agreed that job opportunities were important and the council and partners, continued to work with industries to challenge perceptions and create greater opportunities for young people, especially those which had been involved in violence.

The Cabinet Member for Children, Young People & Learning highlighted how the model would enable the council to support families and individuals who had been through trauma, and welcomed the schools appetite to implement the plans to move to an early intervention model to support people. By working towards a collaborative approach; the Police, schools and community organisations were working to develop sessions which will assist in keeping young people which had been involved in violence in schools. Furthermore, it was noted that by supporting families to be more resilient there was a real opportunity to empower families at a very early age and ensure trauma does not take place.

The Director of the London Violence Reduction Unit noted that a large cultural shift from the view that violence was inevitable was required to ensure the successful delivery of the aims of the approach. Members were informed that the London Unit was also looking at similar issues of housing, education, employment and early intervention and would spread good practice and data to support local councils as it was recognised that it was important that there was a pan-London approach to ensure success of delivery. In relation to the Member query on resources and funding, the Director stated that the London Unit had some resources and was seeking to attract more; however she was keen that the resources be used to empower local communities.

The Director wished Croydon well in the delivery of the public health approach to addressing violence, and was thanked for her attendance and contributions of the Leader of the Council.

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Adopt the Framework for The Public Health Approach to Violence Reduction in Croydon ("The Framework"), at Appendix 1 of the report;

2. Agree the themes and key priorities set out in the report and the above referenced Framework; and

3. Delegate to the Executive Director Place, in consultation with the Cabinet Member for Safer Croydon and Communities, authority to develop and agree a comprehensive Delivery Plan in accordance with Appendix 1 of the report through engagement with the existing

structures of the Local Strategic Partnership and keep the Delivery Plan under review to ensure ownership of the Public Health Approach to Violence Reduction is embedded across a wider range of organisations, maximising the skills and knowledge of the strategic partnerships.

48/19   **Croydon's Approach to Apprenticeships**

The Cabinet Member for Economy & Jobs gave Members an overview of apprenticeships, noting that the scheme gave people 16 years and over practical experience and was not just for young people starting in employment, but also could assist people in changing careers. The Cabinet Member informed Members that in Croydon only 20% of apprentices had been aged 16 to 18.

Bernadette Aze and Nafiza Chowdhury, apprentices at Croydon Council, spoke of their experience of apprenticeships and noted that often young people were encouraged at college to follow the traditional path of attending university. It was recognised by the guests that the university route was not always the best option and that young people should be informed of alternative career paths, such as apprenticeships.

Nafiza and Bernadette spoke of their experience of being supported by Croydon Works to prepare for their interviews and receiving feedback which gave them the confidence to apply for apprenticeships. They felt that undertaking apprenticeships had been fantastic experiences for them as it had given them practical experience to support them in their careers, and they requested the support of the council to spread awareness of the apprenticeship scheme to support other young people.

Members thanked Nafiza and Bernadette for their contribution and for being inspirational to other young people in talking about the opportunities apprenticeships provided.

The Cabinet Member noted that the Apprenticeship Levy could be used to support Small and Medium sized Enterprises (SMEs) to have apprentices in their organisations. As such, the council would contact all business rate payers of the opportunity and the Cabinet Member asked that councillors also speak to local businesses.

Within Croydon Council, Members were informed that almost 50 apprentices were employed, supported and had mentors. These apprentices represented the local community with a number from BME background, all ages, and 15% with declared special needs or disabilities. Due to the success of the council's scheme the authority had been awarded two awards for its support and dedication to diversity, and members were given two case studies of apprentices who were being supported by the council; Anna Smith and Alexander Gayle.

Members were informed that the next apprenticeship launch event would be taking place on 21 August 2019 at BoxPark and would be hosted by the Deputy Mayor who would speak about her experiences. Members were requested to share information about this event to all relevant parties. To further develop apprentices in Croydon, the Croydon Apprenticeship Academy had been formed which was made up of employers and council officers. The Academy was already speaking to businesses, and many companies in Croydon had already pledged to be part of the scheme.

Members noted that the decision to pay apprentices the London Living Wage which enabled people of all ages to fully experience all the opportunities an apprenticeship offers. It was recognised that apprenticeships were changing the life journeys of many young people positively and the scheme was supported.

It was noted by some Members that it was recommended that 2.3% of an organisations' workforce should be apprentices which would equate to a shortfall of 100 apprentices. In response the Cabinet Member stated that the '100 Apprentices in 100 Days' initiative sought to increase the number of apprenticeships in London, and that the council was seeking to engage with local employers to support more apprenticeships. This engagement work had been successful and had seen many companies already pledge positions ahead of the launch in August 2019.

In response to Member questions the Cabinet Member stated that the Apprenticeship Levy was complicated for some organisations, and as such the council was seeking to use unused money to fund training. Additionally to support SMEs, the council would pay 100% of training costs to further enable apprenticeships across all sectors. The council recognised that it was important to make best use of the apprenticeship levy.

It was noted by Members that paying the London Living Wage made a real difference to apprentices, especially in relation to the cost of living, and enabled people to change careers if they wanted to. By supporting apprentices the council was supporting young people to take the pathway to employment which suited them best, and enabling them to choose their future. However, it was recognised that further work on improving parental buy-in and school support was required to make apprenticeships a more viable opportunity for many.

Members wished the apprentices all the best for their futures and thanked officers for all their work in making apprenticeships in Croydon a success.

The Leader informed Members and guests that the video clip which was part of the Cabinet Members presentation would be made available online to further promote the benefits of apprenticeships.

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Endorse the activity being undertaken to promote and increase the number of apprentices in Croydon; in particular the 2019 100 Apprentices in 100 Days campaign; and

2. Note changes to apprenticeship rates of pay to bring it into line with London Living Wage.

49/19   **Brick by Brick Croydon Limited Pipeline Sites**

The Leader of the Council stated that it was important to remember that housing was a basic human right and that over 100 young people in the borough were sleeping in temporary accommodation every night.

The Cabinet Member for Homes & Gateway Services stated the council was looking to deliver homes of all tenures across the borough, and provided Members with an overview of the housing which was being delivered by Brick by Brick across the borough. It was noted that residents had been supportive of schemes in various parts of the borough and that the developments were also enabling further improvements to the local areas, such as new libraries, community facilities and improvement work to local council buildings to ensure they were fit for the future.

Members were informed that the report looked at how Brick by Brick could be taken further with new sites identified, with a specific emphasis on providing housing for care leavers and older generations who sought to downsize. However, it was noted that Brick by Brick was not the only option being utilised by the council to deliver housing in the borough as community led housing had been launched, and the council had brought unused properties back into use also.

It was noted that many of the proposed sites listed in the report were very small and under government legislation would not be required to deliver any affordable housing. The Cabinet Member, however, stated that by Brick by Brick developing the sites it was possible to ensure significant affordable housing was to be delivered.

The Cabinet Member further stated that no detailed plans had been drawn up for the sites listed, and it was important to note that Brick by Brick would work with and consult the local communities ahead of seeking planning permission.

The Cabinet Member for Finance & Resources informed Members that all the benefits from the developing the sites would remain with the council. Best value from the land was being sought when the land was sold to

Brick by Brick; however the Cabinet Member further noted that capital receipts would be received from Brick by Brick also.

In response to Member questions the Cabinet Member for Homes & Gateway Services confirmed that consultation with residents would take place ahead of planning permission being sought, and that the transfer of land was subject to planning permission being granted.

It was recognised that a proposed site listed in the report included green space on the Monks Hill estate, and following some Members suggestions that the green space was highly valued by residents and that there was an alternative site for development at the edge of the estate, the Cabinet Member confirmed she would be happy to speak to local residents regarding alternative options.

The Cabinet Member for Finance & Resources, in response to Members questions, confirmed that best consideration was being fulfilled and that auditors had reviewed the previous transfer of land and a report would be produced which outlined that the council had fulfilled all of its legal duties in the transfer of the land. Members were reminded that 1,800 critically needed homes were being generated which was vital to the residents of Croydon.

Members noted that there had been a number of barriers to building affordable and social housing in the country, and that residents in South Norwood were grateful for the development of a new library and homes. Whilst it was recognised that some green space would be lost due to the development of new homes, many Members felt that the need for housing outweighed the benefits of green spaces as it was noted that the impact of living in temporary accommodation on young people was profound and long lasting.

Cabinet Members further discussed that the Local Plan planned for 33,000 new homes in the borough, however under the Housing Needs Assessment the figure would rise significantly. As such, it was necessary to support the delivery of homes in the borough especially affordable homes as it was recognised that housing prices were at a level where many young people on good incomes could not afford to buy homes.

Cabinet Members stated that they were proud that homes were being delivered for local residents, and work was being undertaken to ensure young people were not having to be in temporary accommodation which affected their development.

Whilst it was noted that there was a plan to raise the Housing Revenue Account (HRA) borrowing cap, Brick by Brick was created when the borrowing cap was in place, however it was noted that the HRA would be used to support the delivery of units. The Cabinet Member stated that the Administration was proud to be delivering council homes, shared

ownership homes, and private properties to deliver for all residents in Croydon.

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Approve the pipeline sites listed in Appendix A of the report to be disposed of to Brick by Brick Croydon Ltd (BBB) subject to terms and conditions being agreed to the satisfaction of the Executive Director (Resources) and the Director of Finance and s151 Officer acting in consultation with the Cabinet Members for Homes and Gateway Services and Finance and Resources and the scope of this delegation includes the decision as to whether the disposal of land is by freehold or by way of a long lease in line with the indicative terms set out in sections 3.5 to 3.7 of the report;

2. Approve that the Council lend Brick by Brick Croydon Ltd funding to progress the development of the sites and that such funding will include funding for professional services, construction costs, acquisition of third party sites and working capital and that the Executive Director (Resources) and the Director of Finance and s151 Officer be given delegated authority to finalise and agree the terms of such lending acting in consultation with the Cabinet Member for Finance and Resources;

3. Approve that where it is considered necessary by Officers and subject to consideration of any objections received by third parties, that the sites listed in Appendix A of the report will be appropriated for planning purposes pursuant to the Council's powers under s122 of the Local Government Act 1972 and/or s233 of the Town and Country Planning Act 1990 or such other statutory powers as may be relevant and that the Executive Director (Resources) be given delegated authority to finalise and agree the terms of such appropriation acting in consultation with the Cabinet Member for Finance and Resources; and

4. Note the governance and monitoring process set out in the report.

50/19   **Delivering   for   residents   through   Sustainable   and   Ethical Commissioning**

The Cabinet Member for Finance and Resources paid tribute to the work of the Director of Commissioning and Procurement and her team for their work on developing a Commissioning Strategy and Social Values Framework.

It was noted by the Cabinet Member that when Labour became the Administration that the rating for contracts had been 60% price and 40%

quality; however there had been a change to focus on quality with a weighting of 60% as it was recognised that it was important to deliver quality contracts for residents. Additionally it was noted that the social value of contracts was important for delivering for residents, and as such a 10% weighting in relation to social value was part of the quality score when assessing tenders.

The council was proud of the ethical approach which has been adopted; including the charters which the council had signed up to and had been put at the heart of procurement.

The Cabinet Member stated that the council was committed to transparency, and noted the strengthened Value Croydon website which sought to assist Small and Medium sized Enterprises (SMEs) in the borough to see the contracts the council was letting. Additionally, it was noted, that the council was increasingly holding suppliers to account which was ensuring the delivery of the best service for residents.

Members noted the different ways a new approach to commissioning had delivered improved results; such as a number of the Ground Maintenance team had previously been paid the minimum wage and when they had transferred as part of insourcing had started to be paid the London Living Wage. This had led to staff feeling valued and an improved service. Additionally, Members noted the social value of the New Addington Leisure and Community Centre had been phenomenal with local residents being trained through apprenticeships which would have a long term impact on the local community.

The Cabinet Member concluded his presentation by stating that the documents for approval were the bedrock for delivering services and ensuring services were being delivered in the right way to ensure the best outcomes for residents.

In response to Member questions the Cabinet Member informed Members that monitoring would take place which would show how successful the approach had been to support local SMEs in being awarded contracts. Additionally, it was noted that the new system, My Resources, would further allow geographical tracking to enable the council to monitor the delivery of contracts and ensure that contracts were remaining local, which was defined as being within the borough.

The Cabinet Member stated that it was not possible to speak in detail in relation to a letter received from Croydon Accessible Transport as it was subject to a formal response from the Chief Executive and Procurement; however confirmed that the allegation had been fully investigated and due process had been followed. Members were informed that the Cabinet Member for Finance & Resources and the Cabinet Member for Safer Croydon & Communities would be meeting with Croydon Accessible Transport to discuss their future plans and establish if assistance can be

provided to the organisation as it was recognised that there were impacts on organisations which no longer had council contracts.

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Approve and adopt the refreshed Commissioning Framework 2019-2023 (as set out at Appendix 1 of the report);

2. Approve and adopt the Council's Social Value Policy 2019-2023 (as set out at Appendix 2 of the report);

3. Recommend the adoption of the revised Tenders and Contracts Regulations, part 4 of the Constitution (as set out at Appendix 3 of the report) to Full Council; and

4. Delegate to the Director of Commissioning and Procurement, in consultation with the Cabinet Member for Finance and Resources, authority to make minor amendments to the documents presented to Full Council and any consequential amendments as necessary and to ensure publication of any amendments.

51/19   **Stage 1: Recommendations arising from Scrutiny**

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To receive the recommendations arising from the Scrutiny & Overview Committee (30 April 2019) and to provide a substantive response within two months (i.e. at the next available Cabinet meeting on 8 July 2019).

52/19   **Stage 2 : Response to Recommendations arising from Scrutiny & Overview Committee on 15 January 2019; Streets, Environment & Homes Scrutiny Sub-Committee on 22 January 2019; Scrutiny & Overview Committee on 11 February 2019; Streets, Environment & Homes Scrutiny Sub-Committee on 19 February 2019 and Scrutiny & Overview Committee on 5 March 2019**

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To approve the response and action plans attached at Appendix A of the report and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

53/19   **Investing in our Borough**

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Approve the recommendation for the appointment of the Approved Provider Panel for Children's Social Care Assessments in accordance with the recommendation set out in the report at agenda item 11a;

2. Recommend to the Leader of the Council that prior to the next meeting of Cabinet in July, the Cabinet Member for Finance and Resources in consultation with the Leader, be authorised to agree the award in respect of the contract for the Microsoft Enterprise Software Agreement which was included in the Good to Great ICT Transformation strategy approved by Cabinet on 20th November 2017 (reference: 91/17 Investing in our Borough c. ICT sourcing strategy) for the reasons set out in para 4.3.1 of the report; and

3. Note that any award made under this delegation will be notified in the standard contracts report to the next meeting of Cabinet.

RESOLVED: To note

1. The contracts over £500,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the nominated Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader; and

2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 12/04/2019 – 11/05/2019.

a   **Award of Approved Provider Panel for Children's Social Care Assessments**

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Approve the award of an Approved Provider Panel for the delivery of Children's Social Care Assessments, in accordance with Regulation 27(c) of the Council's Contracts and Tenders Regulations and the appointment of 13 providers across the 10 Lots as detailed in the Part B report on this agenda, for a term of

two years with an option to extend for a further two years for a maximum contract value of £10,049,000; and

2. Note that the names of the successful providers in Part B of this report will be released once the appointments to the Approved Provider Panel decision has been agreed.

54/19   **Exclusion of the Press and Public**

The following motion was moved by Councillor Newman and seconded by Councillor Butler to exclude the press and public:

"That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items 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."

The motion was put and it was agreed by the Committee to exclude the press and public for the remainder of the meeting.

55/19   **Award of Approved Provider Panel for Children Social Care Assessments**

The Leader of the Council delegated authority to the Cabinet to make the following decisions.

RESOLVED: To

1. Award of an Approved Provider Panel for the delivery of Children's Social Care Assessments, in accordance with Regulation 27(c)/29 of the Council's Contracts and Tenders Regulations and the appointment of the providers across the 10 Lots as detailed in the Part B report, for a term of two years with an option to extend for a further two years for a maximum contract value of £10,049,000; and

2. Note that the names of the successful providers will be released once the appointments to the Approved Provider Panel have been agreed.

The meeting ended at 9.16 pm

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REPORT TO:	CABINET – 8 JULY 2019
SUBJECT:	DIGITAL STRATEGY 2019-2024
LEAD OFFICER:	NEIL WILLIAMS, CHIEF DIGITAL OFFICER JACQUELINE HARRIS-BAKER, EXECUTIVE DIRECTOR RESOURCES
CABINET MEMBER:	CLLR SIMON HALL, CABINET MEMBER FOR FINANCE & RESOURCES CLLR MANJU SHAHUL-HAMEED, CABINET MEMBER FOR ECONOMY & JOBS
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:

Digital transformation of the council's services and internal systems is a core enabler of all the Council's priorities as set out in the corporate plan, and a necessity in order to continue to serve the needs of a growing population against a context of funding pressures. A strong digital economy, education offer and fit-for-purpose connectivity infrastructure across our borough are vital for Croydon to remain competitive and for our residents to prosper in the internet era. The Council's Digital Strategy 2019-2024 articulates the long-term vision and sets a clear direction of travel for how we will take forward work on these imperatives in the next 5 years.

FINANCIAL IMPACT:

There are no direct financial implications arising from the adoption of the digital strategy.

The financial implications of each element of the strategy will be developed and the funding identified before implementation.

KEY DECISION REFERENCE NO.: N/A

1. RECOMMENDATIONS

1.1 The Cabinet is recommended to adopt the Digital Strategy 2019-2024, attached to this report as Appendix 1.

1.2 In the event that the Digital Strategy is only approved subject to comments, Cabinet is recommended to delegate to the Chief Digital Officer acting in consultation with the Cabinet Member for Finance and Treasury authority to revise and approve the final strategy taking on board any comments received from Cabinet.

2.   EXECUTIVE SUMMARY

2.1   The Council is radically rethinking its approach to digital design, data and technology delivery following the appointment of a Chief Digital Officer in 2018. Significant progress has been made to date, and the approach has been formalised in the Digital Strategy 2019-2024, attached at Appendix 1 to this report.

2.2   The council has a strong track record of innovating in the digital space and has achieved nationwide recognition for various initiatives in the past, including winning Digital Council of Year at the LGC awards in 2017. However, it is acknowledged that a step change is required in the way that technology and digital service delivery is approached to meet the needs of our staff and residents in the future, and to direct work on digital infrastructure and tech sector growth across the borough.

2.3   The strategy is founded on the definition of digital set out by the founder of the Cabinet Office's Government Digital Service, Tom Loosemore:

Applying the culture, processes, business models & technologies of the internet era to respond to people's raised expectations.

[Source: https://definitionofdigital.com/]

This definition provides the scope for the level of change necessary. 'Digital' is not just about rolling out new technology or implementing processes on the web, but instead involves genuinely transforming services for the digital age, learning from digitally native organisations such as Spotify, Netflix and others to ensure our public services for residents and internal systems for staff are convenient, available 24/7 and tailored to users' needs.

2.4   The strategy offers an ambitious vision of a truly digital council and borough, bringing together strands of work that previously existed as separate silos in three core themes:

Digital council – we will optimise how the council uses digital design, data and technology to work efficiently, collaborate, make informed decisions, adapt and innovate.

Digital services – we will transform the relationship between residents and the council by providing online services so good that most people choose to use them and can do so unaided.

Digital borough – we will maximise opportunities for digital design, data and technology to enhance economic growth, quality of life, sustainability and individual opportunity in Croydon.

2.5   We also include an additional, cross-cutting theme:

Data and collaboration – we will use digital tools to collaborate with organisations across all sectors, make Croydon's data open and share digital assets for the public good.

2.6   The Digital Strategy describes a long term vision, aligned to the outcomes we wish to deliver for the residents, communities and businesses of the borough. The specific deliverables will be published publicly in a roadmap, outlining what work will be undertaken in what order, allowing for scrutiny and monitoring of progress.

2.7   The strategy has been informed by a thorough review of the current strengths, weaknesses opportunities and threats relating to the council's existing digital, data and technology provision. This analysis was published with the papers for the Scrutiny and Overview Committee on 30 April 2019, at which there was a robust discussion, and a number of recommendations, all of which have been accepted and incorporated into the digital strategy.

2.8   Key deliverables set out in the strategy include:

- A radically transformed corporate website that residents can trust for clear, up to date guidance and information, and which enables localisation of our services and guidance in support of the new operating model set out in our Corporate Plan 2018-2022. The website will have a much improved, consistent and user-centric design, will work across all devices including mobile, and will be fully accessible to all users regardless of disability, bringing us up to the standards set by central government for all public services and those required by law.

- A dramatic increase in the success rate for residents being able to self-serve online unaided, growing from the current 30% of all customer contact to 75% over the life of this strategy. This will be achieved by making more of our services available online and improving those we already provide, designing and testing them with residents' close involvement to ensure the vast majority of residents can use them unaided. This will deliver significant savings to the council, but is motivated primarily by the aim of providing the higher quality of services our residents expect and deserve.

- Improvements to how we communicate with residents online, using digital channels more effectively to inform them about decisions and service issues that affect them, and enabling them to influence council decisions

- Improvements to the support we provide for residents to get online and develop their digital skills, not only to use our online services but to address issues of social exclusion, so that nobody in the borough is disadvantaged by the increasing necessity of being able to use online services (from the council and other service providers).

- Significant efficiency savings from internal digital transformation, improving the tools and skills of council staff to make best use of existing technology to do their jobs; removing technical barriers to joined-up service delivery by enabling more of our systems to share data and provide a single view of the resident, family or household; and helping the council to attract and retain staff including frontline service providers by equipping them with internal technology systems at least as good as they would get in comparable organisations.

- Significant ongoing savings year on year, through stopping unnecessary or

wasteful spending on technology projects (in addition to the efficiency savings and channel shift savings mentioned above).

- Actions to secure and further Croydon's reputation as a tech cluster, to sustain growth in our digital economy, deliver much-needed improvements to the borough's connectivity infrastructure, and provide a significantly improved education offer to ensure Croydon's residents can access the jobs of the future and that our borough provides the tech talent needed to remain competitive and attract and retain businesses here.

3. DETAIL
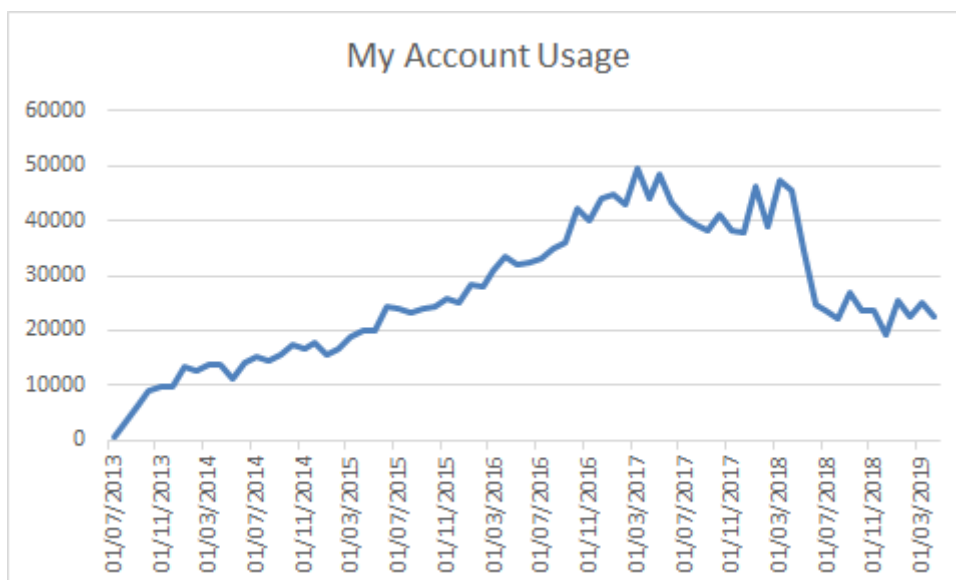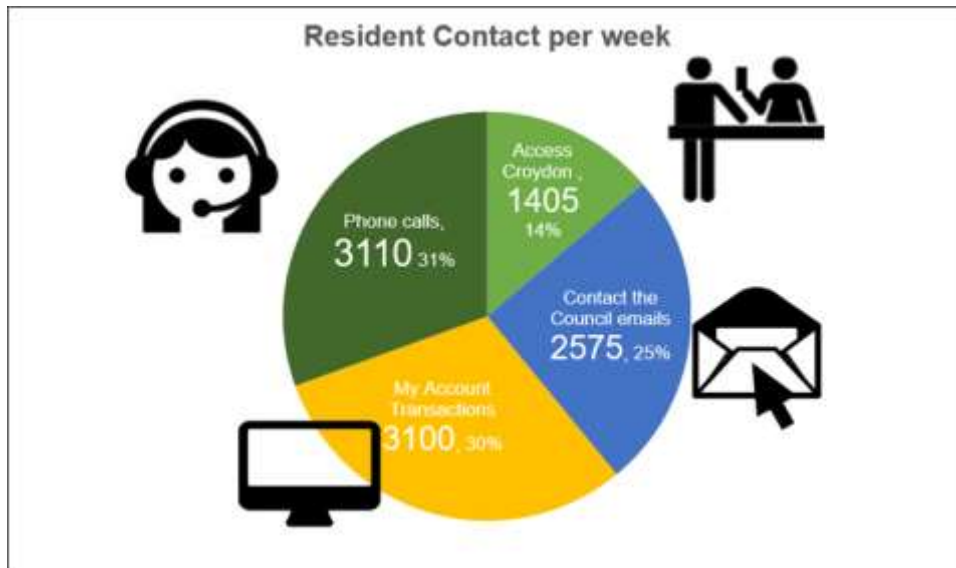
3.1 Background and context

3.1.1 Local authorities are facing a variety of challenges as they seek to deliver much needed services to the residents, communities and business in their localities. Councils are facing considerable increases in demand, as a result of population growth, and at the same time the expectation of service quality is also increasing.

3.1.2 One aspect of this increased expectation is driven by the experiences our residents have from other organisations, which are increasingly digital in their ways of operating. Inspiration for this originates from digital age services, such as Netflix, Spotify, Amazon and others and lessons learned from these companies are being applied by more established organisations, whether banks, supermarkets and - increasingly - public services.

3.1.3 Local government has made significant strides towards making the most of the opportunities that the internet provides in terms of improving its service offer to residents. Work in the early 2000s under the e-government banner enabled paper forms to be put online, and later developments saw customer relationship management (CRM) systems and single user accounts implemented to enable greater integration between the online forms and back office systems, creating efficiencies and improving the customer experience.

3.1.4 Croydon Council achieved success through these stages of digitisation, winning the Digital Council of the Year award in 2017 in recognition of the progress made. However, the world of technology moves quickly, and the Council must now look beyond merely creating efficiencies through digital and must begin to genuinely transform services for the digital age.

3.1.5 As the following 2 charts illustrate, usage of My Account for online self-service currently accounts for 30% of all customer contact, and a quarter of all website visitors use the "contact the council" page of the site to email the council having failed to meet their need online. Take up of online services is falling, due to issues around usability and findability, when it should be rising - residents want and expect easy to use digital services. It is urgent that we change our approach, and design services that meet users' needs, presented on a website that makes it easy for residents to find and understand what they need to do, so that we can improve the resident experience, reduce the cost of our public services, and continue to meet resident demand as our population grows.

Resident Contact per week

Phone calls, 3110 31%
Access Croydon, 1405 14%
Contact the Council emails 2575, 25%
My Account Transactions 3100, 30%

My Account Usage

3.1.6 In recognition of the scale of change necessary, the political and executive leadership created the new role of Chief Digital Officer (CDO) last summer. From a field of over 100 applicants, they appointed an experienced digital leader who took up post in October 2018.

3.1.7 Under the new CDO, several previously disparate responsibilities have been brought together, into a newly formed "Croydon Digital Service" (CDS) within Resources:

- Corporate ICT services (provision of computers, networks, telephony and print, and a demand-led IT project management service to all council departments)
- MyAccount and the Customer Relationship Management (CRM) system that underpins digital services and all customer service by phone, email & in person
- The Don't Mess With Croydon mobile app for reporting street issues
- The Smart Cities workstream within the Growth Zone programme (but with the expectation that this needs to now look borough-wide) and a remit to convene, facilitate and promote the borough's tech sector businesses

- The corporate website and intranet, including web content management
- Digital inclusion (the provision of Digital Zones across the borough)
- Programme management of all major IT transformation programmes previously managed outside of ICT, most notably the People Systems Programme (re-procurement and implementation of critical systems in child and adult social care, housing and education)
- Software support (bringing this in-house from Capita, and centralising systems support across the council e.g. for people systems)

3.1.8   In order to deliver successful digital transformation and channel shift, new capabilities are required. These include user research, interaction design, content design, in-house web development and service design. Within its existing funding CDS has brought in a small number of such specialists, demonstrating early the value of the proposed new ways of working that will be required to deliver this strategy in full.

3.1.9   The new service has already had a significant impact on digital services delivered by and for the Council, including:

- Redesigning the "contact the council" form on the website to direct residents to the online services and content they need, reducing high volumes of avoidable email contact by a third (with a plan to reduce this much further)
- Completing the successful transition of end user support services from Capita to our new supplier Littlefish, with much improved internal support service for council technology
- Significantly improving the user experience of the SEND local offer website and SENCO portal, with positive feedback from parents
- Launching Croydon Digital (https://croydon.digital) - a new brand and website to convene and promote Croydon's tech sector, with a programme of well-attended events. This is already drawing attention and has generated several exciting leads for potential inward investment.
- Delivering interactive online engagement for staff around major internal conferences, to foster a culture of creativity, openness and collaboration
- Centralising management of major line of business transformation programmes, most notably to adults and children's social care systems, making changes to capability and governance to ensure these are set up for success
- Reviewing and updating the top 50 most used pages of the council's website to ensure they are clear and factually accurate, and improving critical service content in other areas
- Preventing new digital services launching that had not been tested with users and improving them to ensure they enable self-service rather than increase customer contact due to being hard to use. For example we improved the design and usability of the relaunched jobs site and upcoming 'e-marketplace' site for adult support services.
- Improving the resident experience in Access Croydon, for example with refreshed self-service kiosks enabling residents to check themselves in for appointments and avoid queuing
- Delivered numerous Smart City initiatives, as set out in page 21 of the strategy

3.1.10 The digital strategy outlines how the CDS will support service areas to deliver the ambitions the council has for delivering high quality services to residents

that meet the greater demand to be expected in a rapidly growing borough.

3.2   Outcomes of the strategy

3.2.1   The digital strategy is focused on delivering various outcomes as described under each of the four themed headings. Each of these will contribute to overarching benefits for the residents, communities and businesses of Croydon, as well as the Council itself.

3.2.2   **Improved resident experience**

The approach to digital transformation advocated in the strategy is based upon significantly improving the experience our service users have from interacting online with the council. Our aim is to design and deliver online services so good that people prefer to use them when they can. It is vital we do this, so that growth in our population does not necessitate equivalent growth in council staffing and processing costs.

This can only be done by truly understanding the needs of our users – what problem they are trying to solve, what outcomes they wish to achieve, and how they prefer to interact with the council. We will be able to do this by investing in our capability in several key areas, ones that have been tried and tested in other internet-age organisations and several other councils. These include:

- **User research –** spending time with our services users to fully understand their needs, so that we can ensure they are met by the resulting digital services, and not basing design decisions on guesswork and assumptions
- **Service design –** considering the entirety of an end to end service from the point of view of the resident, involving not just the digital element but all other aspects of a service, resulting in a consistent, well designed, efficient and easy to follow process
- **Content design –** writing online content that is designed to meet a user's need, so that it is not only simple to follow but helps them to complete a process and thus meet their need
- **Interaction design –** producing high quality modern, easy to use online services, that guide a user through a process without them needing additional guidance or explanation
- **Product management –** taking ownership of a digital service in the long term, managing a roadmap of feedback and enhancements and improving it over time, making sure it continues to meet user needs even within a rapidly changing environment.

These are roles that have not existed within the previous ICT or digital teams before, and are symbolic of the change that is required to shift from a technology, business requirement-driven approach to a digital, user-centred approach to transformation and change.

The effective use of these capabilities will result in digital services that people prefer to use to traditional channels. Our digital services will be:

- **Consistent –** with a modern look and feel, and a user experience that is replicated across all our services, users will be comfortable completing

transactions with a high level of trust in the outcome
- **Easy to use –** by designing services with our users, we can ensure that the interfaces and content are simple to follow and complete, resulting in successful outcomes for our residents
- **Data driven –** basing design decisions on user research and testing, as well as analytical data recorded by our systems, we can ensure we can deliver services that will meet user needs and reflect the actual experience of our service users
- **Continuously improved –** by regularly reviewing the way that online services are used by residents, collecting and acting upon feedback, we will ensure that they are never considered 'complete' and instead are regularly iterated upon to ensure they are always fit for purpose.

The result of this will be excellent digital services that meet the needs of our users, whether residents, communities, businesses – or in the case of internal services, council staff.

3.2.3 **Savings**

Whilst the delivery of efficiency and cost savings is not the main driver for digital transformation, it is an inevitable result of success in this area. Whilst previous digital programmes have had savings at their heart, the approach outlined in the strategy instead places focus on improving the experience of our users.

Savings focused programmes of work can result in 'channel shift' style approaches that force residents to use online services, by making it difficult, if not impossible, to access other channels. This invariably results in a poor experience for the user, and high levels of dissatisfaction, which results in digital services not being adopted in sufficient numbers to deliver anticipated financial savings.

Instead, by ensuring our focus is on meeting the needs of our service users, we will still be able to deliver efficiency and financial savings. This is because designing digital services that people prefer to use will increase the uptake of cheaper, online channels.

This will not be to the detriment of existing, traditional service delivery channels, as depending on the needs of the individual user and the complexity of their personal circumstances, the digital route might not be the most appropriate for them to take. A significant part of a well-designed end to end service is ensuring that those who cannot complete a journey online can still have their needs met through alternative means.

In addition there are many opportunities within the council's internal operations to automate processes that are currently manual, for example scanning posted documents that could be sent as digital copies, re-keying information between systems that are not connected to one another, and multiple manual workarounds in spreadsheets and offline steps, where internal systems are not meeting their users' needs.

Savings and efficiencies can be realised through the following means:

- Digital is a cheaper delivery channel that phone or face to face. Benchmarking figures from SOCITM show that online transactions cost an average of 0.9p per transaction, compared to £2.59 for delivering the same service by phone and £8.21 face to face.
- End to end digital services, integrated into back office systems and processes, reduce the need for staff to re-key data, process paper forms and letters and work with slow and manual offline processes
- Opportunities for increased commercialisation through online sales of products and services can increase the amount of revenue the council can achieve
- Preventing wasteful and duplicative spend on technology by providing stronger centralised governance and visibility of all council technology spend

The efficiencies created by high quality digital services can then be realised by services areas in the most appropriate way for them – by making use of resources to perform other duties or to take them as cashable savings. This should be a decision made by services according to their business needs. CDS will work with finance colleagues to identify and track these savings.

3.2.4 **A thriving digital borough**

The digital borough theme of the strategy sets out the council's innovative approach to enhancing the borough as a place through the effective use of technology. This will result in clear benefits throughout the borough:

- Croydon will have a thriving digital business sector, with start-ups, scale-ups and established businesses creating growth and prosperity in the local area. By building upon existing business networks and supporting business to business relations, entrepreneurs will be attracted to Croydon as the best place to locate their businesses. This ecosystem of companies will be nurtured and supported to become a truly cooperative network, with businesses working together to support each other and work together to win business, create jobs and bring further growth to the borough.

- To support the local economy and grow our own digital talent pool within the borough, there will be a clear and attractive skills offer, providing training and development in the key areas that local businesses and other organisations need to succeed in the digital age, including development, operations, and design. This will be developed in collaboration with colleagues in the council, local businesses and education providers, to ensure a sustainable talent pipeline and provide our residents with the skills for future jobs. Particular focus will be on developing skills that respond to business needs, and the provision of a robust tech skills education offer in Croydon schools and further education institutions. We will collaborate with the Croydon Creative Campus initiative to bring a high-quality university/higher education tech offer to the borough.

- Nobody will be left behind as a result of this digital strategy. The responsibility for increasing levels of digital inclusion is core to the Croydon Digital Service, and success in this area will have a positive

impact, not only on the lives of our residents but also for the Council, as more digitally literate residents will ensure a greater take-up of our digital services. Building upon the successes of the past in increasing the levels of digital skills amongst all our residents, we will identify areas where support can be provided to those who are less confident using the internet and for whom there can be a huge benefit in engaging with digital tools.

- Croydon's digital infrastructure will be improved, so that residents, communities and businesses have access to broadband at the speeds they need to achieve their aims. We will also have begun the physical enhancement of the borough through the deployment of technology to meet shared needs, including internet of things and smart cities. These technologies will only be utilised to meet clearly defined user needs and where there is an obvious benefit to the wider Croydon community.

4.   CONSULTATION

4.1   To inform the development of the strategy, a number of activities were carried out, using an innovative open, online deliberative approach which was a first for the council. A website was created for the public to provide their ideas and feedback for the strategy – this can be found at strategy.croydon.gov.uk. All the submissions to the consultation were subsequently published on the website for others to view and respond to.

4.2   In addition, consultation activity was carried out in person, including drop in sessions at the Whitgift Centre and in New Addington, as well as a Strategy Workshop with 38 members of the Croydon Tech Business Community. Responses received from the public were entered into the consultation site to maintain a single record of response data.

4.3   More than 70 responses were received to the public consultation and 78 to the internal staff survey. Nearly all of the responses have been reflected in the final strategy, either directly or in the form of a higher-level commitment where the comments were more detailed. A "you said, we did" blog post is being prepared which will play back to residents how their comments have helped to influence the final strategy.

4.4   The full draft text of the strategy was also published online for comment from 10 June 2019. The further responses received were also reflected in the final text.

5.   FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1   There are no direct financial implications arising from the adoption of the digital strategy.

5.2   The financial implications of each element of the strategy will need to be developed once the strategy is adopted and the funding identified before implementation can commence.

5.3   Some of the commitments in the Digital Borough theme of the strategy

correspond to planned spend against Growth Zone funding, detailed in the table below. This will draw down budget from within the provisional allocation previously agreed by Cabinet in December 2017. The table below shows indicative costs for the first 3 years of the strategy. The details of these projects will be agreed by the Director of Growth and the Cabinet Member for Economy and Jobs and the Cabinet Member for Finance & Resources.

Smart City commitments *Numbers refer to actions in Digital Borough theme*	2019/20 000's	2020/21 000's	2021/22 000's
1-4 & 11. Coordination and facilitation of business growth events and activities to support tech sector and skills	£25.5	£51	£51
7. Digital challenge – growth themed innovation	£30	£45	£60
8-9 & 16 smart city innovation pilots and delivery of ongoing projects	£258	£500	£700
Total	**£313.5**	**£596**	**£811**

5.4 **Risks**

There is a risk associated with the adoption of the strategy that the vision it articulates cannot be delivered due to financial constraints. This risk will be managed through careful management of the budget and prioritisation of the delivery. The risk of not adopting the strategy will lead to the council not meeting the needs of its users, and therefore not delivering on the corporate plan. Use of My Account will continue to decline and all internal digital processes will be compromised to the point of a 'lights on' service with no strategic direction for the future.

5.5 **Options**

The options considered are set out in section 12 below.

5.6 **Future savings/efficiencies**

At this stage it is anticipated that a number of the elements of the strategy will be invest to save items. The more services that the council provides digitally, and the greater the uptake of these online services, greater the efficiency savings are generated. The work described in this strategy will be fully costed before implementation. Each deliverable will have a benefits realisation plan produced for it, which will track any potential savings that can be delivered. These will be monitored on an ongoing basis as a part of the service's commitment to continuous improvement.

Approved by: Lisa Taylor Director of Finance, Investment and Risk

6. **LEGAL CONSIDERATIONS**

6.1 The Director of Law and Governance comments that there are no legal considerations arising directly out of the recommendation set out in this report.

Approved by: Sean Murphy Director of Law and Governance & Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

7.1 The Croydon Digital Service was reorganised in late 2018 to provide a fit for purpose structure to take the directorate forward and deliver the strategy. There are currently no human resources implications of adopting the strategy. Changes in culture and ways of working will be delivered within the current structure as far as is possible.

7.2 The digital strategy is an important part of defining and developing the council's culture and its workforce for the future. The digital strategy will be aligned with the council's workforce strategy, that will be published in October.

Approved by: Sue Moorman, Director of Human Resources

8. EQUALITIES IMPACT

8.1 An equalities impact assessment has been carried out and is attached to this report as Appendix 2

9. ENVIRONMENTAL IMPACT

9.1 Greater use of digital technology by the Council and uptake of digital services by residents will have a positive impact on the environment by reducing the use of printing and paper, and a reduction in unnecessary travel, for example.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 None identified.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 Adopting the strategy sets a clear vision and direction for digital design, data and technology in the borough and how these will contribute to the council's priorities as set out in the corporate plan.

12. OPTIONS CONSIDERED AND REJECTED

12.1 Not to adopt the Digital Strategy. Not adopting the Digital Strategy would leave the Council without a strategic view on its use of digital design, data and technology, resulting in the potential for confusion, unnecessary spend on conflicting or duplicating projects and potential reputational damage as a result of failing to meet our users' expectations. It would result in a continued decline in usage of existing digital services and therefore an increase in the cost to serve our existing population.

CONTACT OFFICER: Neil Williams, Chief Digital Officer,
                          neil.williams@croydon.gov.uk

APPENDICES TO THIS REPORT: Appendix 1 – Digital Strategy 2019-2024
                                                     Appendix 2 – Equalities impact assessment

BACKGROUND DOCUMENTS: None

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OUR
DIGITAL STRATEGY
A TRULY DIGITAL
COUNCIL
AND BOROUGH
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Foreword: Leader of the Council, Councillor Hall and Councillor Shahul-Hameed

This administration was elected on a manifesto that clearly outlines our commitment to you – the nearly 400,000 residents of Croydon.

That manifesto has been translated into our Corporate Plan for Croydon 2018-2022, a bold set of actions to deliver more efficient, effective and accessible services and to ensure that the people and the place of Croydon are thriving. In that plan, we defined how we will take a radical new approach, with residents and locally tailored services at the heart of how we deliver.

It is clear that such a radical new approach, and the future economic growth of our borough, both rely upon our making more and better use of the new opportunities that digital, data and technology provide. This new Digital Strategy is therefore a crucial enabler of how we will deliver our Corporate Plan.

Historically, Croydon is renowned for technology and innovation, from being home to the UK's first international airport to being home to more than 2000 digital businesses in the borough today. As a council, our pioneering work on digital inclusion and transformative technology earned national recognition as Digital Council of the Year in 2017.

But technology and the internet continues to change the world around us at a fast and ever-accelerating pace. Our population is growing rapidly, at a time when central government funding for local authorities is decreasing. We face increasing challenges and urgency around environmental sustainability, and we cannot afford to stand still as we work towards our vision of becoming a digitally connected town and borough fit for the 21st century.

We're already on our way towards becoming a truly sustainable city. Right now, Croydon is going through an unprecedented period of growth and revitalisation. We're well underway with some £5bn of borough-wide investment that will be completed over the next few years, transforming Croydon into a world-class destination for the high numbers of residents and businesses moving here.

It is vital that digital is at the heart of this regeneration. Using technology, we must deliver tailored services and build sustainability into the design of our built environment, to provide you with the very best living conditions. Working with our local tech sector, we must continue to grow our digital economy, and make sure you can access and are equipped for the jobs of the future. We need to push further, faster with our use of digital approaches, data and technology, to ensure our borough thrives through the 4th industrial revolution.

This strategy sets out how we will make the most of the opportunities digital presents us, to:

- transform your experience as a resident by making our online services simpler, clearer and faster - and tailored to your specific needs, across our different localities

- work more openly with you as Croydon changes, engaging you on the decisions that affect you

- help our local tech economy to grow stronger and larger, creating the jobs and skilled workforce of the future, and making sure nobody in our borough is left behind through lack of digital skills or access to the internet

- make our borough and our public services smarter and more sustainable using innovative ideas and technologies

We and our Cabinet colleagues are pleased to endorse this new strategy. It sets a clear path for the next 5 years, to maximise the opportunities of digital to improve the services you use, the places where you live and work, and how efficiently the council functions so that it can provide the best services and best value to residents. There's no shortage of political will to make Croydon a truly digital council and borough.

Tony Newman
Leader of the Council

Simon Hall
Cabinet Member for Finance & Resources

Manju Shahul-Hameed
Cabinet Member for Economy and Jobs

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Introduction: Jo Negrini, Chief Executive and Neil Williams, Chief Digital Officer

This strategy is about recognising the way the internet has changed our lives, and harnessing that change to provide better outcomes for the people of Croydon.

Residents, businesses, workers, visitors and students in Croydon rightly expect their interactions with the council and their experience in and around our urban spaces to be as straightforward, connected, convenient and technologically advanced as the very best of their experiences elsewhere. Council staff, too, have similar expectations of the tools they use to do their jobs. And, at the organisation level, we have political and financial imperatives to operate as efficiently as possible.

We have a remarkable opportunity to seize these opportunities. Croydon is a naturally ambitious council, and our borough is going through a multi-billion pound transformation.

However, delivering these new imperatives requires not just a new set of actions, but a radically different approach, hence this new strategy and accompanying roadmap.

It is important to recognise that digital is not a separate activity in its own right, but an enabler of everything else the council is doing (defined in our Corporate Plan for Croydon 2018-2022) and of how we are doing it (due to be articulated in our upcoming Workforce Strategy). This strategy and accompanying roadmap exist to support the whole council's goals, by radically re-imagining how we design, deliver and operate our services in the internet age, tailored for different localities.

It is essential we do this well, to stay competitive as a council and place, and to fulfill our duty to residents, communities and businesses by helping them survive and thrive as the world changes rapidly around them.

We are already well underway building new capability in the council to deliver this strategy:

- we've brought in new digital leadership

- we've signed the Local Digital Declaration, a public pledge along with hundreds of other councils to meet high standards for our technology and digital services and adopt digital culture and ways of working

- we are a founding member of the new London Office of Technology and Innovation

- we're putting in place new techniques and capability for agile software delivery and user-centred design

- we've moved the council's core technology services to new specialised providers and shorter contracts, giving us greater flexibility to improve the tools we rely on

- we are working more openly, blogging about our digital delivery for transparency and public feedback

This strategy itself was developed in the open, as a public conversation via the croydon.digital blog. Thank you to all who provided ideas and comments.

Digital moves fast, and digital strategy documents date faster. Therefore while this strategy sets a high level framework for where we're going and how we'll move forwards over the next few years, the specific timings of what we do will continue to evolve as we deliver and learn - in the open, via our public roadmap at https://croydon.digital/roadmap

You can feedback and influence it at any time - these are your digital services after all.

Jo Negrini
Chief Executive

Neil Williams
Chief Digital Officer

Key statistics

A LARGE INTERNAL TECHNOLOGY ESTATE

4,175 staff
provided with laptops, Office 365, networks, mobile and fixed telephony.

120+ line of business applications
powering the council's activities from council tax collection to social care casework, needing maintenance, support, frequent upgrades and regular replacement.

3,100 tech support requests
raised by council employees per month.

180+ TB of data
in the cloud, our business intelligence data lake and on-premises data centre.

35+ business intelligence dashboards
for monitoring performance and informing policy decisions, with more in the pipeline.

HIGH AND GROWING DEMAND FOR ONLINE SERVICES

384,837 residents
(2nd highest in London) growing by 14% to approx 445,000 by 2031. 51.7% BAME and over 100 languages spoken. Highest population of under 18s in London.

180,000 registered accounts
for accessing the council's 100+ online services. Around 30% of contact with residents currently happens via online self-service.

140,000 visitors to the council website every month
55% via mobile or tablet devices. On average a person visits the site 3.5 times a year.

3,600 downloads
of the Don't Mess With Croydon mobile app, used 900 times each month to report problems with waste and other issues.

STRONG FOUNDATIONS FOR A DIGITAL BOROUGH

2,045
technology business
in the borough employing 7,725 people - a growth of 41% between 2013 and 2018.

2.8 million ft^2
of new Grade A office space under development.

98.5%
of postcodes
can receive broadband speeds of at least 30 MBPS.

85%
of people
in the borough are more likely than the national average to use the internet at least once a week. (Source: ACORN)

Ideal conditions

for Smart Cities, GovTech and UrbanTech innovation: 45 public sector organisations, a complex and compact town centre, London's growth borough with a £5.25bn regeneration programme.
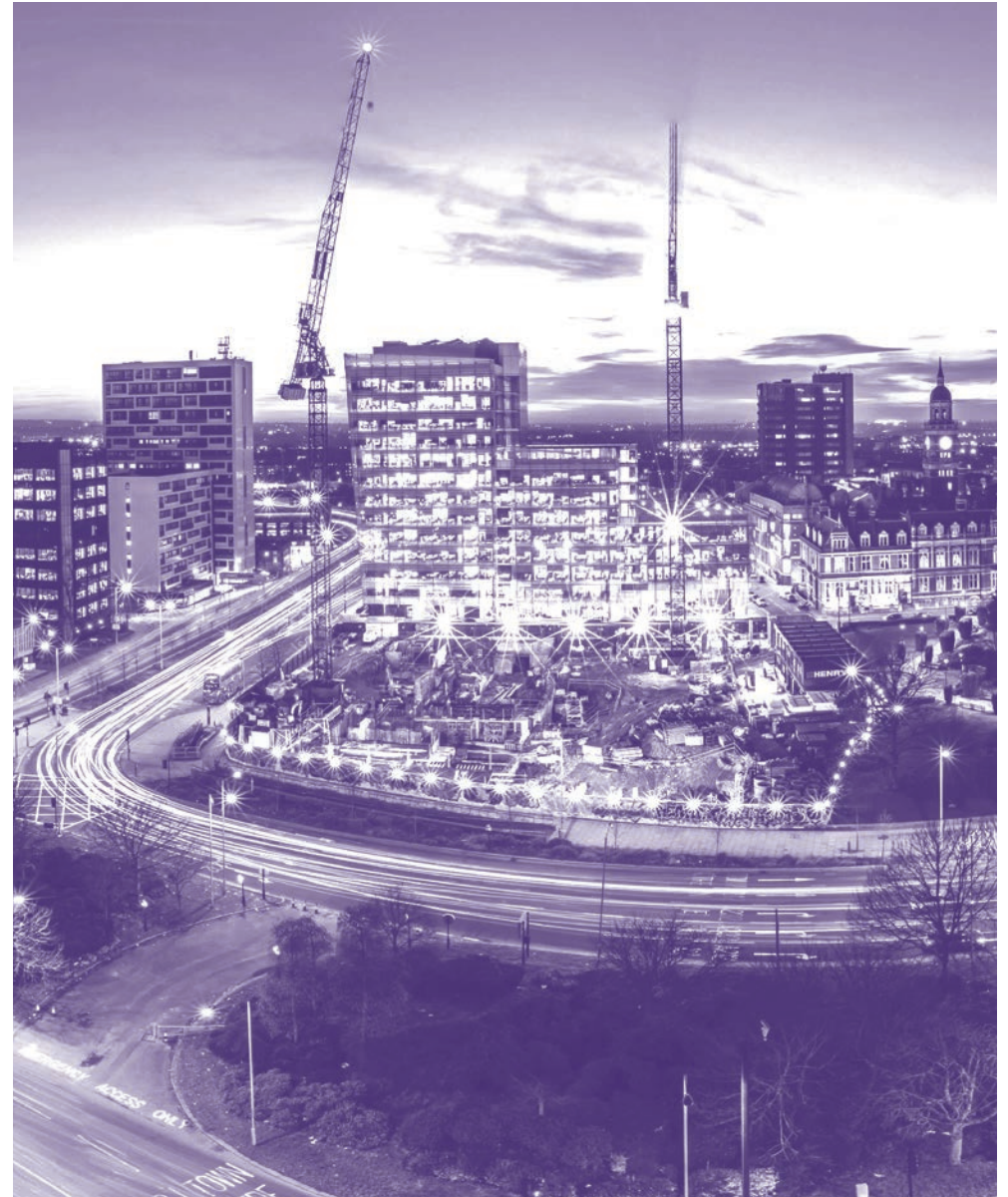
▶ About this strategy

Digital is not about technology, it's about changing the way people live, connect and work.

"A truly digital council will be more connected and integrated, using digital to reimagine service delivery that is user-centric and meets users' needs - with citizens, communities and businesses reaping the benefits."

Council of the Future: A digital guide for councillors - Tech UK 2018.

This strategy, therefore, is about how we will deliver the services and infrastructure our residents need in order to thrive and live happy, healthy lives in Croydon, now and for years to come. It's about how we as a council can achieve more, with less, to serve our residents better and tailor how we deliver services to meet differing needs in our localities. It's about creating a modern, sustainable town and borough that is a great place to live, work, play and do business, and about making sure we remain resilient and competitive in a rapidly changing world.

As a consequence of delivering this strategy:

- Croydon residents will have a radically better experience when accessing the council's services and information, with an easy-to-use website that works on any device, digital services so good and convenient that people prefer to use them when they can, and digital communications which inform and consult them on the issues they care about

- Croydon residents will also have access to an enhanced digital skills offer, helping them build their confidence in areas from basic computer literacy through to the professional skills they need to access the jobs of the future

- Croydon residents, visitors, students and businesses will enjoy faster broadband connectivity and a digitally-enhanced public realm, through initiatives including public WiFi, digital wayfinding information, apps that bring the community together, and smart technology solutions that help reduce energy consumption, lower emissions, improve public safety and help make Croydon a more attractive place to be

- Croydon will have a thriving digital business sector, with start-ups, scale-ups and established businesses creating growth and prosperity, working together as a cooperative ecosystem, and helping to change perceptions of Croydon as we become more widely recognised a leading destination for tech

- Croydon council staff will have access to continuously improving technology and have the skills and confidence to use it well, helping them deliver great services to residents as efficiently as possible and freeing up more of their time for frontline services

- Partner organisations will be able to work with the council and with each other more effectively, supported by digital collaboration tools and more open communications, and making use of shared data and digital platforms to enable a more joined-up, system-wide approach to delivering positive change in Croydon

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Definition of digital

When we say digital in this strategy, we mean the following definition, widely adopted in the UK public sector:

"Applying the culture, processes, business models and technologies of the internet era to respond to people's raised expectations"

Tom Loosemore, Public Digital

Policy context

This digital strategy is an enabling document to the council's Corporate Plan for Croydon 2018-2022. Having a responsive, agile and user-centred digital service is key to the successful delivery of the council's ambitions.

Six themes are discussed in the Corporate Plan which represent the council's way of operating in the future. Digital contributes meaningfully to each:

• Evidence is key • Preventing issues becoming problems • Locality matters • Residents drive what we do	We will put residents at the heart of our approach to designing digital services, using research and continual testing to ensure our services meet their real-world needs, enabling them to achieve their goals as quickly and efficiently as possible. As we transform our digital services we will also create rapid, often real-time feedback loops, enabling services and underlying policy to be continuously improved based on evidence of how well they are meeting residents' needs. Data science and new data analytics platforms enable evidence from multiple sources to be combined and interpreted in new ways, for better (sometimes automated and predictive) decision making. The council is already making good use of these new capabilities, developing dashboards to provide rich insights, and has plans to embed a culture of business intelligence to support our localities model. Thirdly, through better use of digital engagement tools and social media, we can increase the scale and openness with which we engage residents in decisions that affect them.
• A system wide approach	Digital enables collaboration across organisations and sectors to achieve shared outcomes, and collaboration is one of our main themes of this digital strategy.
• Organisation design	Every part of the council workforce relies upon effective digital tools, and stands to benefit from the adoption of digital culture and ways of working in order to become a more adaptive, connected, mobile and collaborative organisation.

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▶ Vision

Our vision is to become a truly digital council and borough.

We will harness the potential of digital design, data and technology to work efficiently, transform the relationship between residents and the council, and make Croydon a leading destination for growth, opportunity and quality of life.

We will do this by focusing on three main themes (supported by a fourth):

1. Digital council

We will optimise how the council uses digital design, data and technology to work efficiently, collaborate, make informed decisions, adapt and innovate.

2. Digital services

We will transform the relationship between residents and the council by providing online services so good that most people choose to use them and can do so unaided.

3. Digital borough

We will maximise opportunities for digital design, data and technology to enhance economic growth, quality of life, sustainability and individual opportunity in Croydon.

Success in all of these three main themes above will be unlocked and accelerated by progress in a fourth, cross-cutting theme:

4. Collaboration and data

We will use digital tools to collaborate with organisations across all sectors, make Croydon's data open and share digital assets for the public good.

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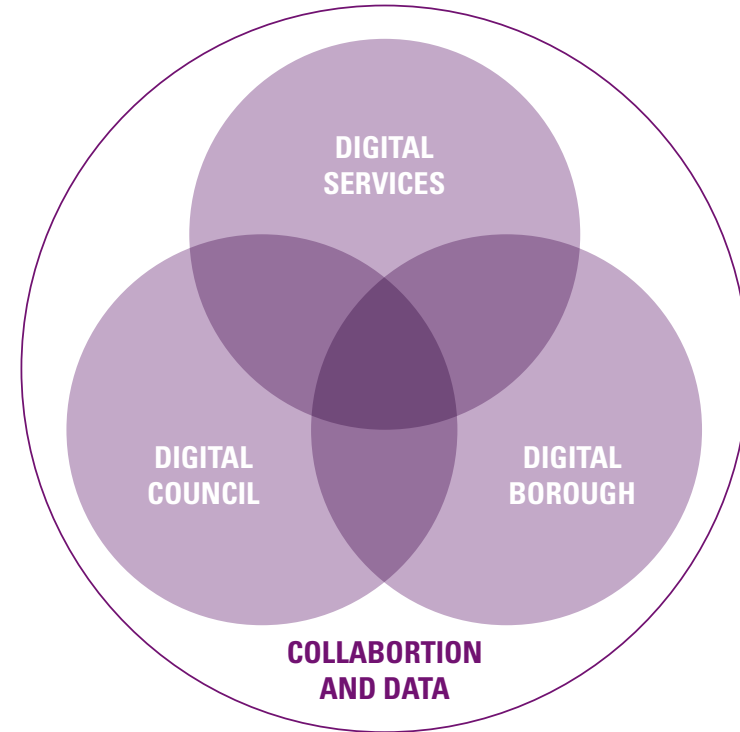
By delivering against all these themes we will become digital inside and out, maximising the opportunities for our council and borough in partnership with organisations across the system.

INTERNAL ⟵———————————⟶ EXTERNAL

DIGITAL COUNCIL	DIGITAL SERVICES	DIGITAL BOROUGH
COLLABORATION AND DATA		
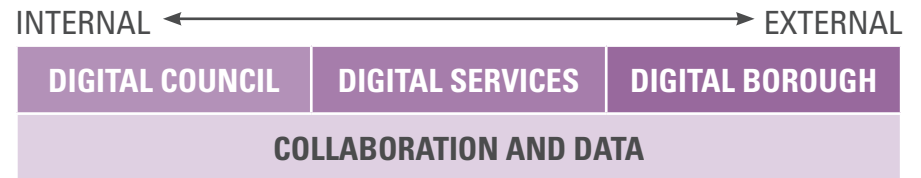
▶ Principles and approach to delivery

Our strategy is underpinned by the following principles, which guide the way we work as we pursue our vision.

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1. We focus relentlessly on meeting user needs

As a digital service, we exist to meet the needs of our users (from residents to internal colleagues). Every piece of work we undertake will be based upon meeting a need that our service users have, which will help us to always build the right thing. We do this by speaking directly to our users and observing how they interact with our services, focusing on what they show they need rather than say they want.

We make sure our digital services are accessible to all users, regardless of disability.

We are acutely aware of the digitally excluded, and so we make sure:

• **assisted digital** support is available to help residents use our digital services

• **digital inclusion** learning opportunities and public computers are available across the borough, to help more residents get online

• non-digital channels always remain available to those who really need them

2. We support and continuously improve all our products and services

We only implement technology solutions we are confident we can sustainably operate, support and continuously improve. We adopt a "shift left" approach to our operational support, continuously improving our ability to solve users' problems and requests on first contact.

No service is ever finished, or complete. There are always improvements that can be made. We will embed this concept into our work as much as our resources allow, putting working products into the hands of users early so we can test how well they work, providing us with the insight needed to improve them over time. We won't be afraid to experiment and fail, delete things that don't work, learn from them and try new approaches.

3. We base our decisions on evidence

We will base all of our design and technology decisions on the basis of the insight gained through activities such as user research, service performance metrics, the study of web analytics, user feedback and other available evidence, rather than relying on guesswork. We have an enormous amount to do, so will prioritise rigorously based on evidence of what will deliver the best outcomes for users. We will ensure that we monitor the performance of live services and use that data to identify where we need to improve them.

4. We invest in teams, not projects

Our aim to become a truly digital council and borough is predicated on investing in the people and technology needed to effect this significant change. Digital work is often packaged into programmes of work, with defined, time-limited budgets, and teams that disband once the project is 'complete'. But we know that digital products and services are never complete, and must be continually improved and iterated upon. We therefore intend digital work to become a mainstream activity, to develop the council into an organisation that is digital rather than just does digital.

5. We work in the open

Our aim is to work as openly as we can on all of our projects. This means we blog about our work and what we are learning, and we share our ideas widely to get feedback and suggestions. Where we can we will share code, learnings and other products we create, enabling others to benefit from our efforts. We also share our data, safely putting it out there to help others create value from it. This helps us to do better work, as it creates a much bigger community around what we are doing than just an internal audience.

▶ THEME 1: Digital council

We will optimise how the council uses digital design, data and technology to work efficiently, collaborate, make informed decisions, adapt and innovate.

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"Digital is something you are, not something you do. It's about how you think, how you behave, what you value, and what drives decisions in your organisation."

What a Digital Organisation Looks Like - Doteveryone 2017

Our desired outcomes:

- All council staff have fit for purpose corporate technology and line of business systems which facilitate rather than constrain their work, which work well together, are resilient and can be changed rapidly to meet their users' changing needs

- All council staff make effective use of cloud collaboration and productivity software to communicate, safely share and store information, and work with increasing efficiency

- All council staff can work effectively from anywhere, including fast and reliable network and telephony access in all council-owned buildings across the borough, and suitable assistive technology for staff who need it

- All technology-related projects in the council provide value for money, have clearly defined outcomes, meet quality and cybersecurity standards, and are managed well

- The council has a full understanding of its total expenditure on digital, data and technology and the return on this investment, and is reducing this total over time

- All council staff are confident in their wider digital skills and understanding, including agile delivery methods, user-centric service design, data literacy and GDPR, cybersecurity, online engagement and working in the open

- All council staff can and do access data intelligence and have the knowledge, support and skills to manage and use data legally and ethically, to measure service performance, predict and anticipate demand, and make well-informed decisions

- The council's political and executive leadership exemplify and champion digital expertise and culture including user-centred design, agile methods and working in the open

- All council staff can find internal guidance and information quickly and easily on the council's intranet, and are digitally engaged in leadership decisions

Where we are now

As set out in the ICT Sourcing Strategy paper to Cabinet in November 2017, we have made significant progress in recent years to equip council staff and members with flexible, modern equipment and software, while delivering multi-million pound savings and mitigating cybersecurity risks. We can be proud that we have some of the best IT of any council.

Our ambitious ICT transformation programme proposed in that same paper is now nearing completion, and has successfully delivered a more flexible, multi-vendor technology ecosystem for the council's core, corporate technology. This forward-thinking transformation is the bedrock for all our future digital ambitions, meets principle 2 of the Local Digital Declaration ("fix the plumbing"), and is regarded as an exemplar by many of our local government peers. The council now has more control over quality of service for all technology we currently use and the ability to respond more rapidly to changes.

Across the council, we also make use of hundreds of line of business systems which enable our organisation to function and our workforce to deliver public services. We have powerful tools at our disposal for data intelligence and reporting, an emerging Business Intelligence Strategy, a number of dashboards and a growing capability in developing and using them to manage performance metrics, predict issues and inform policy decisions.

However, current expenditure on digital, data and technology initiatives is spread across departments, making it challenging to get a true total cost of investment. The quality of our delivery is variable, and there is considerable duplication and inefficiency as well as usability challenges across our software estate. Like all councils, we have a sprawling portfolio of legacy applications and databases, built in a pre-digital era and often unfit to support modern online services. We also continue to operate a high number of paper-based and manual processes, and there is significant potential for the council to achieve savings, higher staff satisfaction and provide better services for residents from digitising more of our internal operations.

Going forward, we need to improve capability across the council to make the best use of the equipment and software we already have. We need to improve governance and visibility over IT spend in delegated budget lines, establishing stronger controls to ensure value for money and standards assurance. We need a clear architectural vision that will enable us to reduce the complexity and size of our back-office software estate and reduce duplication over time, and to increase use of Software as a Service models so that we only pay for what we need. Where practical, we need to begin using service design methods for our back office systems, to improve usability for council staff, and adopt a more agile, digital culture across the organisation that places user needs at the heart of how we choose, buy, build and implement technology in the council and how we design our internal processes.

▶ THEME 1: Digital council continued...

What we will do

To move forward in this area, we will:

1. Develop a clear architectural vision for all council technology systems, working towards an irreducible core of specialist applications and shared components that provide common functions once, integrated through APIs, using cloud and Software as a Service solutions wherever possible

2. Put in place a new, robust governance framework to ensure all changes to technology across the council are fit-for-purpose, cost-effective, secure, in line with the architectural vision and meet the government's Technology Code of Practice and Service Standard; and to get clarity on the council's total spend on technology

3. Re-tender our (recently disaggregated) corporate ICT contracts every few years to ensure best value and service, and diversify our supplier base including buying local where possible to do so

4. Create permanent capability for transforming major line of business systems, recognising that this is a continuous activity, and work with peers in other councils to positively disrupt the marketplace for these systems

5. Conclude the development of our Business Intelligence Strategy and implementation plan to further our use of data-led intelligence across the council, with a particular focus on supporting localities-based service delivery

6. Design and run a mandatory learning and development programme and provide ongoing learning opportunities for all staff to increase digital confidence, instill cybersecurity best practices, improve data literacy, awareness and stewardship, and embed a more digital culture including agile methods and working in the open

7. Develop digital leadership capability within the council, in line with the Local Digital Declaration, prioritising the corporate leadership team (the top 3 tiers of council officers) and Cabinet members

8. Implement a best-of-breed contact centre and enterprise telephony system, ensuring residents can contact and hear from the council reliably and consistently

9. Review and improve how we support and train users of corporate and line-of-business software to maximise their effective use, including introducing agile and user centred service design methodologies to optimise the usability of our software

10. Seek out opportunities to use new and emerging technologies such as robotic process automation and machine learning to automate low value tasks and improve operational efficiency, freeing up officer time for frontline services to residents

11. Review current processes for providing assistive technology for staff with disabilities, ensuring we make the best use of available technology to support all our staff

12. Support the council's communications team to transform the corporate intranet and provide improved tools for internal digital engagement and information-sharing

13. Deliver an ongoing portfolio of improvements to council systems, corporate ICT and automation of sub-optimal or paper-based council processes, prioritised on our public roadmap

Indicative dates for priority deliverables

- New governance processes are in place now (July 2019) and will begin to create savings within this financial year and in subsequent years by preventing unnecessary or wasteful spend on technology, while driving up quality and usability for internal users and residents

- Digital leadership development has begun and will continue with digital-themed learning and development days for 30 of the most senior leaders in the council in July and again in autumn 2019. An internal learning programme for all council staff will be in place by December 2019, with the aim that all staff complete mandatory elements by July 2020

- A programme is underway to replace major internal systems used for adults and children's social care, expected to complete by October 2020, delivering improvements to the quality and efficiency of vital social care services

- We will complete transformation of the council's telephony systems by March 2020

Check our live, continuously updated roadmap to see specific deliverables, track our progress, offer help or give your feedback to influence what we do next: **croydon.digital/roadmap**

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"I would like to see digital technology used to facilitate open fair and transparent procurement at Croydon Council"

"It would be a great idea to do digital training for staff working in Access Croydon so that they can help residents quicker. Many come in because they do not know how to do certain things on the website and it would be better if we are trained properly."

"Embrace a culture of agility and acceptable risk taking, find out enough to move forward, write down what needs to be written down, review and learn regularly, without requiring slavish adherence to a methodology"

Comments from Croydon residents and council staff as part of <u>the online conversation</u> and internal survey that helped shape this strategy
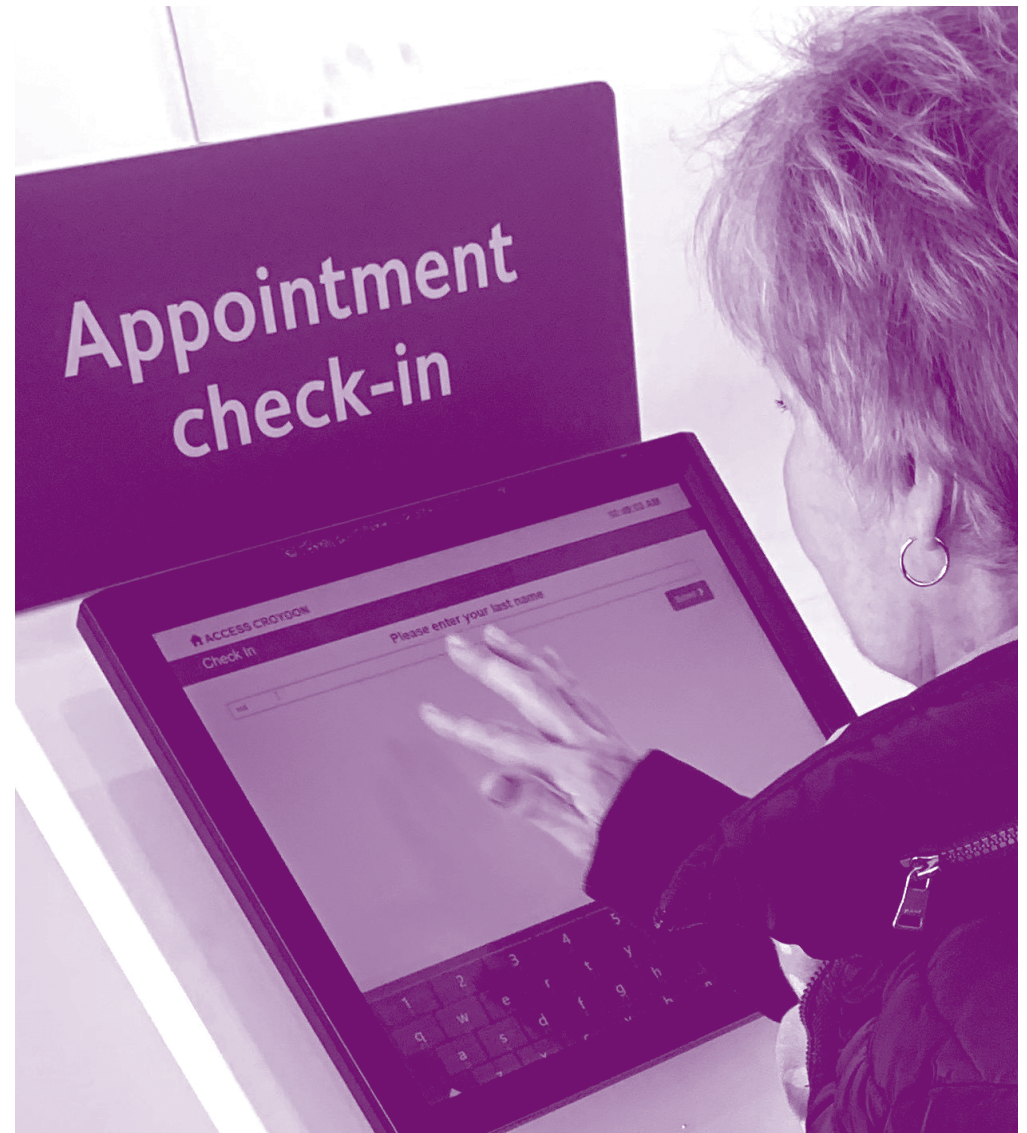
▶ THEME 2: Digital services

We will transform the relationship between residents and the council by providing online services so good that most people choose to use them and can do so unaided.

"This is not about polishing websites and making online copies of existing, paper-based transactions - broken services delivered onto a computer screen. It's about a new, better approach to the design, operation and consumption of its services, focused on citizens and outcomes."

Digitising Government - Alan Brown, Jerry Fishenden and Mark Thompson 2014

Our desired outcomes:

• All council services that could be made available online, are available online, with digital as the default service supported by an "assisted digital" offer and alternative channels still available for those who need more help

• Most users choose to use digital services over alternatives, so that the vast majority of interactions between residents and the council (75% or higher, excluding planned casework) take the form of online self-service

• Of people using the council's online services, the vast majority (75% or higher) can complete them successfully, unaided, first time, and rate them good or excellent

• Information about the council's democratic process, decisions, delivery and policies are easy to find, understand and (where appropriate) influence through online platforms

• Residents who want to do so are able to receive relevant notifications from the council about issues and opportunities of interest to them, from the status of services they rely on through to policy and planning decisions

• The council's website and digital services are built with re-use in mind, so that our information and services can easily be found through search engines, and are accessible using 3rd party devices such as voice assistants

• All council information is in open, accessible formats by default, removing any barriers to access for people with disabilities, and enabling online sharing and preservation

• All online council services and official information have a consistent user experience, sharing a single design system and interaction patterns

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Where we are now

We have made visible and impactful inroads into digitising our services in recent years, through our Customer Access and Digital and Enabling transformation projects.

As a result, there are around 180,000 registered users of the council's "My Account" system, which enables access to more than 100 services online 24/7, including waste collection, housing services, council tax and appointment booking. This has reduced face-to-face demand in Access Croydon, cut waiting times and increased communication with residents, delivering savings of over £10m per annum. Our website is heavily used with 140,00 visitors per month looking for guidance and information. Our mobile app, "Don't Mess with Croydon" has been downloaded over 3,600 times and enables residents to report fly-tipping, potholes and other issues with our public spaces.

These achievements notwithstanding, there is considerable potential to improve the quality and further reduce the cost of services to residents by providing more of them online, and by applying the user-centric design methods used by the private sector and central government to ensure that more people can use them successfully. Currently, around 30% of all contact between residents and the council takes place via online self-service. We want and need this to be much higher, making all council services digital by default, while also ensuring that we always cater for the digitally excluded.

Recent analysis has found that usage of My Account has begun to decline and a quarter of all website visits result in users contacting the council for help, suggesting their needs are not being fully met online. Our web estate has inconsistent design, has been rated poorly in some external reviews, and in places fails to comply with new, higher standards of accessibility. There is clear demand from residents for more convenient, truly accessible and higher quality digital services they can access 24/7, and more open and transparent information and engagement through digital channels.

Recognising the need for continuous and rapid improvement of our digital services, the council has recently invested in new capability, forming the Croydon Digital Service - a new directorate in the council that is already bringing about a step change in the council's approach to delivering user-centric services for residents. We have signed the Local Digital Declaration, a public pledge to deliver digital services in accordance with the methods set out in the Government Service Manual and to ensure all new and updated services going forwards meet the high quality standards set out in the Government Service Standard. CDS is working in close partnership with the Residents First Programme, to ensure we understand our residents and customers so that we can listen and respond and work together to improve our front line services.

Potential savings from digital services

Cost per transaction through different channels:

Digital:
0.9p per transaction

Phone:
£2.59 per transaction

Face-to-face:
£8.21 per transaction

Source: Business Case for Digital Investment, ADASS, the LGA and Socitm, 2016
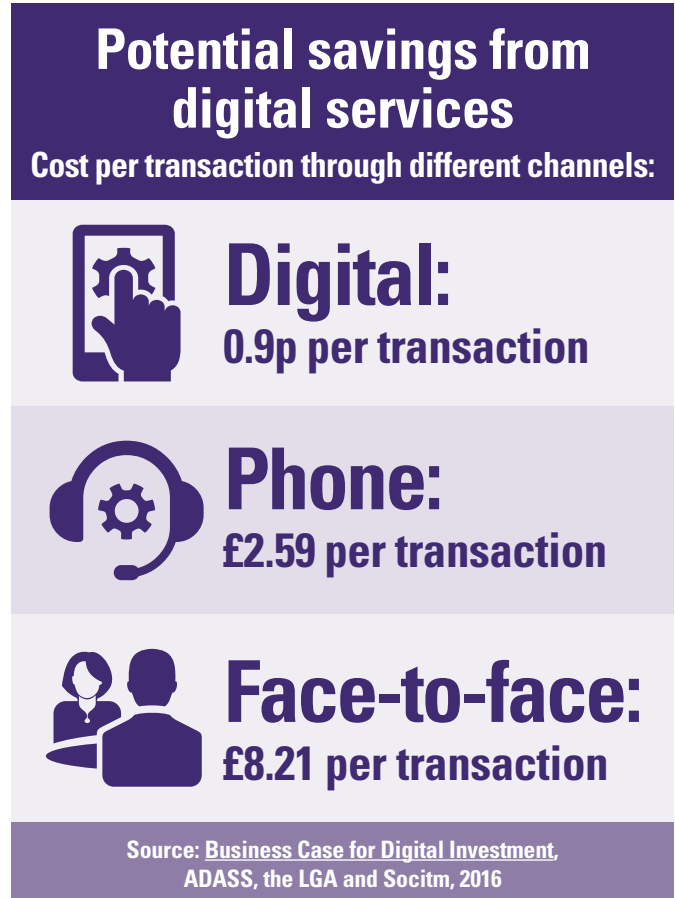
▶ THEME 2: Digital services continued...

What we will do

To move forward in this area, we will:

1. Transform the council's website, introducing a consistent, mobile-first design system across all official sites and digital services, applying the user-centric design methods as set out in the Government Service Manual to ensure it meets residents' needs

2. Overhaul our processes and standards for creating and maintaining content, ensuring all guidance is succinct, clearly understandable by users and reliably up to date so that residents trust the website as the canonical source for official information

3. Review the technology underpinning our digital services, to ensure we have a resilient, supported and fit-for-purpose set of platforms that in combination enable us to rapidly and sustainably build, maintain, and continuously improve digital services to better meet the needs of our users

4. Review and tighten up our criteria for permitting the creation of separate websites, with the aim of significantly decreasing the number of microsites and subdomains the council operates

5. Transform how we deliver digital services, working in multidisciplinary agile delivery teams capable of redesigning services from end to end, ensuring that a user's needs are considered and met throughout the whole process, and that back office systems and processes are integrated with front end delivery

6. Introduce robust assurance processes to ensure all digital services developed by the council or its suppliers are of high quality, meeting the Government Service Standard

7. Redevelop the Explore Croydon website as a more effective 'digital induction' for new residents, a promotional tool for visitors and prospective residents, and a definitive local guide for existing residents, working collaboratively with other interested parties

8. Review and improve our online engagement with residents, including formal online consultation, the council's email newsletters and push notifications, and informal engagement and customer support through social media, working with the communications and customer contact departments

9. Continue to blog about our work on croydon.digital and encourage other service areas to do the same on a new corporate blogging platform, supporting them with the skills and technology to more openly communicate about the work of the council

10. Ensure that there is a sufficient "assisted digital" support for residents who cannot use council services online, through the contact centre and face-to-face touchpoints including Access Croydon, library services and the emerging localities delivery model

11. Investigate and experiment with emerging technology where there is an opportunity to better meet our users' needs, including live chat, chatbots and voice operated services

12. Deliver an ongoing portfolio of improvements to existing online services and the creation of new digital services, prioritised on our public roadmap

Indicative dates for priority deliverables

- We aim to deliver an 'alpha' (prototype) version of new website by August 2019, for testing with residents and stakeholders. A public 'beta' version will follow by November 2019, and begin replacing popular parts of the current site. The new site will become the default from March 2020, with ongoing work to replace all remaining parts of the old site through 2020/21

- To support this work, we aim to have a new, flexible digital services development platform in place by January 2020 so we can digitise and improve more of the council's transactional services for residents

- All new and redeveloped digital services will be assessed against the Government's Service Standard from July 2019 onwards, and the outcomes of these assessments will be published on croydon.digital

- Improvements to the council's online engagement with residents will begin to be visible from October 2019, with a full review of social media usage to follow in 2020

Check our live, continuously updated roadmap to see specific deliverables, track our progress, offer help or give your feedback to influence what we do next: **croydon.digital/roadmap**

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"Services to do with council tax updates, claiming benefits and anything to do with residents need to be automated. Residents usually get delayed responses as everything is done manually [...] Automation will result in happier residents and less call traffic as well as less visits to Access Croydon for minor issues. Many residents are frustrated, please sort it out."

"The Croydon website is not easy to use. Hard to find things. Make the website clear."

"Make online forms easy to understand. They should be faster to complete as people have things to do!"

Comments from Croydon residents and council staff as part of the online conversation and internal survey that helped shape this strategy

▶ THEME 3: Digital borough

We will maximise opportunities for digital design, data and technology to enhance growth, quality of life, sustainability and individual opportunity in Croydon.

"We need to be bold and to think big. This involves being willing to try new ways of doing things. I see London's future as a global 'test-bed city' for civic innovation, where the best ideas are developed, amplified and scaled."
Mayor of London, Sadiq Khan,
Smarter London Together plan, July 2018

Our desired outcomes:

- Croydon has a thriving digital business sector and community, with a mixed ecosystem of startups, small to medium sized enterprises and large technology companies moving to and growing in the borough

- Croydon has outstanding digital infrastructure, including ultrafast internet and mobile network connectivity, able to support the ambitions of our residents, businesses, community and voluntary sector, and public services

- Croydon has a digitally-confident population, able to make the most of opportunities that being active on the internet brings, should they choose to do so, reducing social exclusion

- Croydon residents have the skills to access the jobs of the future, and employers have access to a pipeline of local talent for digital, data and technology careers

- Croydon's digital and tech workforce indexes higher than the national average for BAME (Black, Asian and minority ethnic) and female employees, reflecting our diverse borough

- Croydon's community and voluntary sector is digitally mature, able to adopt the culture, processes, business models and technologies of the internet era to fulfill their mission

- Croydon is using a range of innovative data and technology driven solutions to create a sustainable and more efficient borough, with a growing reputation as a leading destination for innovation in Smart Cities, GovTech and UrbanTech

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Where we are now

Croydon has a strong reputation as a fast-growing digital ecosystem, a pioneer in digital inclusion initiatives and an early adopter of innovative technology.

We're incredibly proud of our thriving tech sector, which has grown by 41% in the past 5 years to over 2,000 businesses and nearly 8,000 jobs, and of our desirable conditions for tech startups and scale-ups including co-working spaces such as TMRW and the Sussex Innovation Centre. We owe much to Croydon Tech City, the voluntary organisation that promoted Croydon as the "Silicon Valley of South London" between 2012 and 2018, and we have recently launched Croydon Digital to continue to convene, promote and grow our tech economy.

On digital skills, in recent years we have supported digital inclusion initiatives through the Our Community fund, and partnered with Doteveryone to bring 3rd parties and the community together to change people's lives through digital skills and access. CALAT provides adult courses in digital skills, and the council itself provides apprenticeship opportunities in digital and technology roles.

In the Smart City Programme paper to Cabinet in December 2017 we set out our ambition to become a world-class digital and smart city, with a forward plan of activities in partnership with private sector and community. Since then, we've made significant progress on all themes of the paper, with a wide variety of initiatives both underway and in development.

Smart City initiatives completed since December 2017

- **Internet of Things (IoT) infrastructure:** 4 LoRaWAN gateways now in place across the borough

- **Air Quality Monitoring around construction sites:** 3 month pilot completed and we are now exploring extending the pilot to cover all 20-26 regeneration construction sites

- **Humidity and temperature monitoring on a social housing block:** pilot underway on a housing unit undergoing recladding works to measure the impact of black mould, and build the business case for wider deployment

- **Broadband connectivity:** full fibre rollout for social housing underway across the borough. Mobilisation is planned from June 2019 onwards and is due to take 2-5 years

- **CCTV upgrade:** feasibility study completed and business case under development

- **Pothole detection:** pilot completed using connected vehicles and machine learning for early detection of defects and damage on road surfaces

- **Smart parking pilot:** 12 month pilot underway since April 2019 to trial a fully automated parking payment system, which uses number plate recognition cameras to detect when drivers enter and leave a car park, and bill drivers accurately

- **Sustainable mobility:** installation of new electric vehicle charging points across the borough in progress, with a corporate commitment to having 400 public charging points by 2022

However, there is room for improvement across all these areas, and enormous potential to change perceptions of Croydon and ensure our people and businesses thrive in the internet era.

We need to do more to promote Croydon as a destination for tech businesses, and rebuild momentum and grow the ambition for tech community events. Digital skills work has tailed off and should be brought back to the fore to ensure no resident is left behind as a consequence of low digital literacy, and to ensure people of all ages have access to the jobs of the future. Our Smart Cities work is still nascent, and now needs to come together as a mainstream activity in our digital roadmap, aligned to the Smarter London Together and sub-regional plans, with a particular focus on improving broadband connectivity speeds across the borough.

▶ THEME 3: Digital borough continued...

What we will do

To move forward in this area, we will:

1. Take a proactive role in convening, facilitating and promoting Croydon's digital, data and technology community under the brand Croydon Digital, further developing the brand, events programme and website to support business-to-business connections, recruitment, careers advice and skills, resources for non-digital businesses, and to encourage inward investment

2. Form a Croydon Digital Board with representation from Croydon's tech community and wider experts to collaboratively develop plans to grow Croydon Digital, with ambitions to establish Croydon as a leader in Smart Cities, GovTech and UrbanTech and launch an annual digital festival

3. Seek out and exploit opportunities to strengthen and expand the availability of tech co-working spaces, incubators, co-ops and accelerators in the town and other district centres

4. Work with the education sector and other partner organisations to boost the number of people with the skills needed to contribute to our local digital economy, by improving the tech skills offer for people of all ages at existing institutions, and creating a new offer working with schools, FE and HE institutions to provide a wide range of learning opportunities for all ages, from code clubs through to university courses. Tech will form a core part of the Croydon Creative Campus

5. Take a research-based approach to identify the skills needed by our local digital businesses and the best means of developing them, including working with local businesses to create more apprenticeships and work experience opportunities in digital careers. (Within the council, we will provide 3-5 apprenticeships and 2-3 internships in digital roles on a rolling basis, and additional digital apprenticeships through our supply chain)

6. Deliver our already published action plan for connectivity in Croydon, working with providers of fixed, wireless and mobile solutions in a holistic manner to deliver ultrafast broadband to all homes (prioritising social housing) and businesses, public WiFi where it is needed most, and prepare Croydon for the future with 5G and small cell networks

7. Launch a Croydon Digital Challenge, to identify and seed-fund innovative solutions to local civic problems, starting with 2 challenges in 2019/20 with a view to repeating and growing the approach if it delivers value both for the council and participants

8. Continue to take forward Smart City pilots using our Internet of Things network and advances in sensor technology and artificial intelligence to better manage public assets and improve sustainability in public services, with the aim of converting at least 1 successful pilot into a full-scale solution each year, starting in 2019/20

9. Take forward pilots to improve the public realm through Smart City solutions, looking at innovation such as smart pavements, smart parking, smart benches, electric vehicle charging points, digital signage and interactive experiences

10. Optimise digital advertising across the borough to leverage council-owned street furniture for improving street safety, monitoring air quality, footfall and other non-personal data, and explore the provision of free WiFi, wayfinding and local information

11. Actively work with property developers to encourage uptake of Smart City solutions in the built environment, and explore the potential to develop a digital and Smart City infrastructure standard for all new property development

12. Take forward the CCTV digitisation programme to enhance safety in Croydon including implementation of on-street cameras, an enhanced control room and connectivity

13. Undertake a review of our current digital inclusion offer to inform a new approach to providing residents with the confidence and access to use the internet, and to improve social inclusion

14. Promote and develop our offer for the innovative use of assistive technology in enabling residents to remain healthy, safe and independent, including helping those with care needs to stay longer in their own homes

15. Explore opportunities to support and promote the use of community-focused platforms to enhance the local economy, encourage 'buying local' and create social value, for example activities, business and volunteering listings, b2b collaboration apps and a local currency

16. Deliver an ongoing portfolio of smaller Smart City, digital economy and digital skills initiatives, prioritised on our public roadmap

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Indicative dates for priority deliverables

Rollout of fibre broadband to all social housing in the borough will begin mobilisation in November 2019, and take 2-4 years to complete. As well as providing fibre to social housing tenants this will create infrastructure to accelerate fibre rollout to other areas

We aim to deliver a comprehensive digital business directory and advisory content on croydon.digital, launch a challenge fund competition and hold a first meeting of the Croydon Digital Board by October 2019

We will complete our review of the current digital inclusion offer and form a plan to improve it by December 2019

We expect to have maximised the opportunity to achieve Smart City benefits from digital advertising in partnership with a leading provider within 2 years

We will deliver a Schools Roadshow promoting technology skills and careers across Croydon secondary schools in 2020

Check our live, continuously updated roadmap to see specific deliverables, track our progress, offer help or give your feedback to influence what we do next: **croydon.digital/roadmap**

"It is hard to recruit good local technical people. But I believe that the transformation that Croydon is going through could generate the assets required to get there. It must start with schools preparing kids to the jobs of today and of the future. Croydon is massive and should host an International level University with degrees such as finance, marketing, and engineering of all kinds, including computer science."

"It would be better to have more WiFi spots to video call people so that you have a backup if you run out of data."

"Croydon needs to plan for connected street furniture, smart parking, wireless mesh networks, the changing nature of public and private interfaces (e.g. in-car voice assistants) and what 5G will bring. [...] The technologies exist for Croydon to do something ground-breaking. It'd be great to see Croydon pioneering their use"

Comments from Croydon residents and council staff as part of the online conversation and internal survey that helped shape this strategy

▶ THEME 4: Collaboration and data

We will use digital tools to collaborate with organisations across all sectors, make Croydon's data open and share digital assets for the public good.

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Our desired outcomes:

- Appropriate digital channels are in place to facilitate the council, other public services, business and the community and voluntary sector to share information and collaborate effectively

- There is a culture of collaboration and reuse of digital assets and data between all organisations delivering public good in Croydon, minimising duplication of effort and accelerating our collective capability to deliver better outcomes for our communities

- All organisations in Croydon can contribute to and access a growing set of shared data stores and common platforms that they can make use of to create and enhance digital products and services

- The council plays an active role in local and national digital communities of practice, sharing our experience and capabilities, and is a recognised leader in digital

"Working together in partnership to create one shared purpose and one shared vision, we will work with the voluntary sector, public services, business community and community groups to deliver our outcomes"

Tony Newman, Leader of the Council, Corporate Plan 2018-22

Where we are now

The council has existing partnerships and alliances with a number of organisations, most notably the One Croydon Alliance - a partnership of 6 bodies collaborating across organisational boundaries for better health and wellbeing outcomes - and we work closely with statutory agencies and the community and voluntary sector across a range of other deliverables outlined in our Corporate Plan. There is considerable potential to make better use of technology to facilitate information-sharing across these existing partnerships, and help us forge new ones.

An effective system-wide approach also relies on shared local data. A wide range of data about Croydon, and transparency information about council operations, is already publicly available via the Croydon Observatory, our corporate website, the London Data store and data.gov.uk. However, there is more to do to unlock more data, improve quality, make all our data easier to find and ensure it conforms to open standards. Of particular priority is the geographic data held by the council, which is currently split across disparate systems and needs work and clearer ownership to get it where it needs to be and make it available for reuse. However, we are in a strong position to radically improve how the council uses, combines and shares data from multiple sources, having invested in a fit-for-purpose cloud business intelligence platform. For example, we have recently begun scoping work on data intelligence to help us take targeted action across the system to prevent violent crime.

As the council reviews and refreshes its core digital platforms and rationalises its portfolio of back office software, there is an opportunity to create common platforms and codebases that are shared not only within the council, but with partners across the system as "public good" civic assets. A small example of such a platform exists already in

the form of Croydon Digital (www.croydon.digital) - a shared publishing platform for the tech and digital community. The council has a number of open source capabilities that can be enabled for reuse across the local system, and we expect that other organisations are similarly creating digital assets with untapped potential for reuse. We want to explore the potential to share these actively across the local system.

Similarly, it is imperative that we reuse and share ideas, technology and approaches across both central and local government. As one of London's largest boroughs, Croydon has a major role to play in contributing to joined-up solutions for

the whole city, and co-delivering the Smarter London Together plan. Our status as one of the founding members of the new London Office for Technology and Innovation stands us in good stead to collaborate closely with other London boroughs.

Nationally, local authorities have similar problems to solve and increasingly limited resources, and so wherever possible we will both contribute to and make use of common solutions, shared platforms and lessons learned with all our local government peers. We have committed to do so by signing the Local Digital Declaration, and are active participants in networks of our digital peers such as LocalGovDigital.

▶ THEME 4: Collaboration and data continued...

What we will do

To move forward in this area, we will:

1. Publish data openly wherever possible, in reusable formats, and work with partners to identify the most appropriate channels to use to do this

2. Put in place the necessary technology and governance to allow for easy appropriate data sharing across the borough

3. Develop and steward a digital platform of reusable technology components, to be shared with partners within the borough

4. Explore the potential for a shared Croydon authentication capability between the council and other organisations - providing a trusted, secure way to prove identity online and enabling users to access a wide range of local services with a single login

5. Where we have a need to acquire a new technology solution, we will seek to reuse existing shared capabilities, contributing back any improvements we make

6. Work closely with existing collaborative partnerships, such as the One Croydon Alliance, to ensure user-centred digital products and services are delivered across organisational boundaries

7. Combine a growing capability in data science and business intelligence with experiments and innovations in emerging technologies such as machine learning and artificial intelligence to enable the council to predict demand and prevent it occurring

8. Improve the council's strategic offer and delivery of geographic data for internal and external use, starting with establishing clear ownership, roles and responsibilities across our currently disparate systems and data sources

9. Through our status as signatories to the Local Digital Declaration, we will work to become an exemplar digital council and acknowledged as a leader in the sector in this area of work, liaising closely with the Ministry for Housing, Communities and Local Government

10. Be deeply involved in digital networks within our sector and beyond, including being founding and active members of the London Office of Technology and Innovation (LOTI), and contributors to LocalGovDigital

11. Deliver an ongoing portfolio of improvements to existing, and the creation of new, data and collaboration initiatives, prioritised on our public roadmap

Indicative dates for priority deliverables

• We are already sharing our digital work and learning via croydon.digital and will continue to do this actively

• We will begin using the Local Government Digital Pipeline by September 2019, to share our plans and identify opportunities to collaborate with other local authorities, and contribute the findings of our user research to the shared library developed by Hackney council to benefit other councils

• We will complete a discovery project by March 2020 on the concept of a shared digital component library for Croydon, and develop our plans to take this forward

Check our live, continuously updated roadmap to see specific deliverables, track our progress, offer help or give your feedback to influence what we do next: **croydon.digital/roadmap**

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"Insist on data generated by infrastructure in Croydon is open by default, with stable identifiers. Also, provide sample procurement contracts that are open and flexible, for use in Croydon and other local government. Build a basic digital layer into all projects – eg Westfield"

"The council has a limited budget to spend on tech improvements.[...] There are already people in the borough that work in software, so why not leverage them? If you open sourced some parts of the software you use, residents could contribute and improve the software itself, saving you money and also giving residents ownership."

"Success for your digital strategy is about more than delivering the same processes in a new way. Digital transformation means providing a seamless experience to citizens meeting all their needs, predicting and preventing problems and putting the analytics in the hands of decision-makers to drive policy. Data and location are at the heart of this."

Comments from Croydon residents and council staff as part of the online conversation and internal survey that helped shape this strategy

▶ Measuring progress

Progress against this strategy overall will be tracked through existing corporate measurement frameworks. At a high level, we will report regularly on the following two metrics:

% of total demand met through digital self-service	This stands at approximately 30% at present and we aim to increase this year on year, towards the ambition set in this paper of 75% or higher.
	This is a measure not just of our success in improving the quality of the council's website and online services, but also in improving digital inclusion and connectivity across the borough so that more residents are able to use digital services, and in transforming our internal technology and processes to remove removing barriers to user-centric service design.
% of staff completing digital confidence training	This stands at 0% at present and we aim to reach 100% of existing and new staff.

Specific deliverables which move us towards the commitments set out in this strategy are detailed on our roadmap at **croydon.digital/roadmap**, using the format of Objectives and Key Results (OKRs). This means each piece of work we undertake will have its own clearly defined objective and between 3 and 5 specific measures of success.

In addition, we routinely track and report on a set of internal Key Performance Indicators including service levels, take-up and user satisfaction for existing products and services.

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▶ Feedback on this strategy

We welcome feedback on any part of this strategy at any time. Please visit our blog at **croydon.digital** where you can comment in response to this strategy and all of our ongoing work, or you can email **digital@croydon.gov.uk** with any thoughts you may have.

We are grateful to everyone who shared their thoughts online or in person in the months before this strategy was published. You can read a summary of how your input helped to shape the strategy at **www.croydon.digital/tag/strategy**

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—— OUR ——
DIGITAL STRATEGY
A TRULY DIGITAL
COUNCIL
AND BOROUGH
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CROYDON | Delivering
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Equality Analysis Form

Delivering for Croydon | **CROYDON** www.croydon.gov.uk

1.   Introduction

1.1   Purpose of Equality Analysis

The council has an important role in creating a fair society through the services we provide, the people we employ and the money we spend. Equality is integral to everything the council does. We are committed to making Croydon a stronger, fairer borough where no community or individual is held back.

Undertaking an Equality Analysis helps to determine whether a proposed change will have a positive, negative, or no impact on groups that share a protected characteristic. Conclusions drawn from Equality Analyses helps us to better understand the needs of all our communities, enable us to target services and budgets more effectively and also helps us to comply with the Equality Act 2010.

An equality analysis must be completed as early as possible during the planning stages of any proposed change to ensure information gained from the process is incorporated in any decisions made.

In practice, the term **'proposed change'** broadly covers the following:-

- Policies, strategies and plans;
- Projects and programmes;
- Commissioning (including re-commissioning and de-commissioning);
- Service review;
- Budget allocation/analysis;
- Staff restructures (including outsourcing);
- Business transformation programmes;
- Organisational change programmes;
- Processes (for example thresholds, eligibility, entitlements, and access criteria.

2.   Proposed change

Directorate	Croydon Digital Service
Title of proposed change	Croydon Digital Strategy
Name of Officer carrying out Equality Analysis	Opama Khan

2.1   Purpose of proposed change (see 1.1 above for examples of proposed changes)

Briefly summarise the proposed change and why it is being considered/anticipated outcomes. What is meant to achieve and how is it seeking to achieve this? Please also state if it is an amendment to an existing arrangement or a new proposal.

CROYDON DIGITAL STRATEGY

Croydon council is planning the digital future of the borough and in setting out its Digital Strategy, is planning our ambitions in the following areas:
- **Digital Council** - How do you want to interact with the council online, to use our services and get more involved in decision making? Where can we improve the digital services we offer residents, businesses and communities?
- **Digital Services** - How can we help Croydon thrive in the digital era? This includes broadband coverage, supporting people to develop digital skills, helping our tech sector grow, and innovation to enhance public spaces and improve quality of life.
- **Digital Borough** - How should the council make better use of technology and data to become a more efficient, effective, and innovative organisation? Share your views here on how we can use digital to improve our ways of working.

As part of the strategy development, we have undertaken a number of exercises to ensure that our service and activities respond to the needs of our diverse resident base. In particular we have undertaken the following activities:

- Public consultation has been undertaken to ensure that we reach as many and diverse groups of residents as possible. Our aim has been to be inclusive of the various demographic groups. Our outreach has included online consultation via https://strategy.croydon.digital as well as direct consultation with members of the public at the Whitgift Shopping Centre and on Central Parade in New Addington. The CDS user research team has engaged with residents across all ages and demographic groups to gauge views on accessibility to council services and suggestions on how we can improve our services. We have also held a strategy workshop with croydon based tech businesses to get their input for our strategy.
- Digital inclusion – our strategy lays out how we will support all people to learn basic digital literacy with a focus on some of our most vulnerable residents. CDS will work with the Localities team, Libraries and other stakeholders to improve digital literacy and accessibility.
- Assisted digital and offline alternatives to digital services – the digital strategy will ensure nobody is disadvantaged by the shift to online services and residents are supported to access online services.
- Digital jobs/economy – we are working to develop the education offer across the borough for all age and demographic groups
- Assistive technology – there is commitment in the digital strategy to improve LBC's digital support to people with disabilities (including staff) and manage their physical and mental health.

What we will do:
- We will deliver universal digital services that all users can use
- We will ensure they are accessible to people with disabilities
- We will provide assisted digital support to help people use them
- We will ensure offline channels are available for all services
- We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)
- We will work with our tech sector and the education sector to help residents into digital careers, including work experience and apprenticeships, with a specific aim to index higher on BAME people in tech in Croydon than national averages

3.   Impact of the proposed change

Important Note: It is necessary to determine how each of the protected groups could be impacted by the proposed change. Who benefits and how (and who, therefore doesn't and why?) Summarise any positive impacts or benefits, any negative impacts and any neutral impacts and the evidence you have taken into account to reach this conclusion. Be aware that there may be positive, negative and neutral impacts within each characteristic.

Where an impact is unknown, state so. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments http://www.croydonobservatory.org/ Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

3.1   Deciding whether the potential impact is positive or negative

Table 1 – Positive/Negative impact

For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgement where possible.

Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	Implementation of the digital strategy will improve accessibility to council services and provision across the borough	We will take steps to mitigate negative impact by ensuring provision to all age groups in the borough	- **Findings of public consultation** - **user research conducted by CDS**

	- We will deliver universal digital services that all users can use. - We will provide assisted digital support to help people use them	- We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **national research** - **local demographics information**
Disability	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for residents with physical disabilities and mental health issues - We will ensure they are accessible to people with disabilities - We will provide assisted digital support to help people use them	We will take steps to mitigate negative impact by ensuring provision to people with physical disabilities and mental health issues - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information** -
Gender	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all residents - We will improve opportunities for females in tech education, skills and careers. - We will raise the participation of female residents in tech education and careers in the borough	We will take steps to mitigate negative impact by ensuring provision to all gender groups in the borough - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information**
Gender Reassignment	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use - We will provide assisted digital support to help people use them	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information**
Marriage or Civil Partnership	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services	- **Findings of public consultation** - **user research conducted by CDS** - **national research**

	- We will provide assisted digital support to help people use them	- We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **local demographics information**
Religion or belief	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use - We will provide assisted digital support to help people use them	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information**
Race	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use - We will provide assisted digital support to help people use them - There is provision of access to translation services or google translate for those for whom English in not their first language	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations) - For individual services, we will access options based on individual user needs	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information**
Sexual Orientation	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use - We will provide assisted digital support to help people use them	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **Findings of public consultation** - **user research conducted by CDS** - **national research** - **local demographics information**
Pregnancy or Maternity	Implementation of the digital strategy will improve accessibility to council services and provision across the borough for all demographic groups - We will deliver universal digital services that all users can use	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough - We will ensure offline channels are available for all services	- **Findings of public consultation** - **user research conducted by CDS** - **national research**

	- We will provide assisted digital support to help people use them	- We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	- **local demographics information**

Important note: You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts. When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics. **Please use table 4 to record actions that will be taken to remove or minimise any potential negative impact**

3.2   Additional information needed to determine impact of proposed change

Table 2 – Additional information needed to determine impact of proposed change

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table. Please use the table below to describe any consultation with stakeholders and summarise how it has influenced the proposed change. Please attach evidence or provide link to appropriate data or reports:		
Additional information needed and or Consultation Findings	**Information source**	**Date for completion**
PUBLIC CONSULTATION **Strategy Website** CDS has created a Strategy website in order to undertake a public consultation and engage with the public	https://strategy.croydon.digital	**June 2019**
Tech Sector Strategy Workshop CDS ran a Strategy consultation workshop with members of the Tech business community on 22nd May 2019. The workshop was attended by 38 businesses		**May 2019**
Direct public consultation CDS has undertaken direct consultation with members of the public at the Whitgift Shopping Centre and on Central Parade in New Addington. The CDS user research team has engaged with residents across all ages and demographic groups to gauge views on accessibility to council services and suggestions on how we can improve our services. **Our findings:**		**May 2019**

Through our public consultation and our residents have identified that they want to have better and more efficient access to our services and our findings point to the fact that cost savings achieved can be used towards supporting our most vulnerable residents. Specific issues raised through our public consultation: - 7 people raised the need for better 'assisted digital' help for people who struggle to use council digital services - 3 people raised the need for offline channels to remain available for all council services - 2 people raised the need for the council to be inclusive/diverse in who we engage in consultations - 1 person raised the need to make sure services are fully accessible - 2 people raised the need for diversity within the CDS team Specific issues raised through our strategy workshop with Tec businesses: - Developing a tech/digital talent pipeline from our own resident base focusing on skills offer at schools as well as further education institutions across the borough and be inclusive to attract more females and BME groups into technology careers. - The need to develop a skills/ CPD offer for adults of all ages who are in work so that they can access career progression and jobs of the future - The need to develop accessible services for our most vulnerable residents - The need for a higher education offer accessible by residents across the borough and be inclusive to attract more females and BME groups into technology careers, as well as career development and progression for adults of all ages to access jobs of the future		

For guidance and support with consultation and engagement visit https://intranet.croydon.gov.uk/working-croydon/communications/consultation-and-engagement/starting-engagement-or-consultation

3.3   Impact scores

Example

If we are going to reduce parking provision in a particular location, officers will need to assess the equality impact as follows;

1. Determine the Likelihood of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the likelihood of impact score is 2 (likely to impact)
2. Determine the Severity of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the Severity of impact score is also 2 (likely to impact)
3. Calculate the equality impact score using table 4 below and the formula **Likelihood x Severity** and record it in table 5, for the purpose of this example - **Likelihood** (2) x **Severity** (2**) = 4**

Table 4 – Equality Impact Score

Severity of Impact				
3	3	6	9
2	2	4	6
1	1	2	3
	1	2	3

Likelihood of Impact

Key

Risk Index	Risk Magnitude
6 – 9	High
3 – 5	Medium
1 – 3	Low

Equality Analysis

Table 3 – Impact scores

Column 1 PROTECTED GROUP	Column 2 LIKELIHOOD OF IMPACT SCORE Use the key below to **score** the **likelihood** of the proposed change impacting each of the protected groups, by inserting either 1, 2, or 3 against each protected group. **1 = Unlikely to impact** **2 = Likely to impact** **3 = Certain to impact**	Column 3 SEVERITY OF IMPACT SCORE Use the key below to **score** the **severity** of impact of the proposed change on each of the protected groups, by inserting either 1, 2, or 3 against each protected group. **1 = Unlikely to impact** **2 = Likely to impact** **3 = Certain to impact**	Column 4 EQUALITY IMPACT SCORE Calculate the **equality impact score** for each protected group by multiplying scores in column 2 by scores in column 3. Enter the results below against each protected group. **Equality impact score = likelihood of impact score x severity of impact score.**
Age	2	1	2
Disability	2	1	2
Gender	2	1	2
Gender reassignment	2	1	2
Marriage / Civil Partnership	2	1	2
Race	2	1	2
Religion or belief	2	1	2
Sexual Orientation	2	1	2
Pregnancy or Maternity	2	1	2

Equality Analysis

4.   Statutory duties

4.1   Public Sector Duties

Tick the relevant box(es) to indicate whether the proposed change will adversely impact the Council's ability to meet any of the Public Sector Duties in the Equality Act 2010 set out below.

Advancing equality of opportunity between people who belong to protected groups ☐

Eliminating unlawful discrimination, harassment and victimisation ☐

Fostering good relations between people who belong to protected characteristic groups ☐

Important note: If the proposed change adversely impacts the Council's ability to meet any of the Public Sector Duties set out above, mitigating actions must be outlined in the Action Plan in section 5 below.

5.   Action Plan to mitigate negative impacts of proposed change

Important note: Describe what alternatives have been considered and/or what actions will be taken to remove or minimise any potential negative impact identified in Table 1. Attach evidence or provide link to appropriate data, reports, etc:

Table 4 – Action Plan to mitigate negative impacts

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.				
Protected characteristic	**Negative impact**	**Mitigating action(s)**	**Action owner**	**Date for completion**
Age	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to all age groups in the borough	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line to people of all ages via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd	**Neil Williams**	**ongoing**

		sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services - We will ensure that our services remain available in non-digital channels for our most vulnerable and hard to reach residents. - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)		
Disability	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to people with physical disabilities and mental health issues	- We will ensure that information is accessible to people with disabilities and special needs - We will deliver universal digital services that all users can use - Provision of digital inclusion digital inclusion work to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line to people with disabilities via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through	**Neil Williams**	**ongoing**

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		GPs, hospitals and NHS and other community services - We will ensure that our services remain available in non-digital channels for our most vulnerable and hard to reach residents - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)		
Gender	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to all gender groups in the borough	- We will improve opportunities for females in tech education, skills and careers. - We will raise the participation of female residents in tech education and careers in the borough - We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line across gender groups via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services	**Neil Williams**	**ongoing**

		- We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)		
Gender Reassignment	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	**Neil Williams**	**ongoing**
Marriage or Civil Partnership	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them.	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services	**Neil Williams**	**ongoing**

	We will take steps to mitigate negative impact by ensuring provision to all demographic groups in the borough	- We will ensure provision to all residents despite their marital status via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)		
Religion or belief	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to all residents of all faiths and religious beliefs.	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line across people of all faiths and religious beliefs via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services	**Neil Williams**	**ongoing**

		- We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)We will ensure offline channels are available for all services		
Race	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to residents of races and ethnic backgrounds including BAME groups	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - In addition to the translation services offered by the council, and the google translate option on the website, for individual services, we will access options based on individual user needs of people for whom English is not their first language - We will ensure provision is available on the front line via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed	**Neil Williams**	**ongoing**

		most (be that location, age, race or other demographic considerations)		
Sexual Orientation	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to all residents in the borough regardless of sexual orientation	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line across people across all sexual orientation groups via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services - We will ensure offline channels are available for all services - We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)	**Neil Williams**	**ongoing**
Pregnancy or Maternity	Our strategy explicitly makes the commitments to improve the net positive position relative to where we are now and therefore have a positive impact on them. We will take steps to mitigate negative impact by ensuring provision to residents with pregnancy and maternity needs.	- We will deliver universal digital services that all users can use - Provision of digital inclusion to ensure that Croydon residents of all ages are supported to learn basic digital literacy, and access online services - We will ensure provision is available on the front line via Schools, libraries, localities/gateway hubs, community centres, support through voluntary/3rd	**Neil Williams**	**ongoing**

Equality Analysis

sector groups, resident groups, social workers, carer support groups, job centre plus, croydon works, CALAT, Work & Health Programme, Housing Associations, signposting through GPs, hospitals and NHS and other community services
- We will ensure offline channels are available for all services
- We will provide training to help everyone access basic digital skills, targeting this to where it is needed most (be that location, age, race or other demographic considerations)

6.   Decision on the proposed change

Based on the information outlined in this Equality Analysis enter **X** in column 3 (**Conclusion**) alongside the relevant statement to show your conclusion.

Decision	Definition	Conclusion - Mark 'X' below
No major change	Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. **If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision**.	
Adjust the proposed change	We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to take action to ensure these opportunities are realised. **If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form**	**X**
Continue the proposed change	We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. **If you reach this conclusion, you should clearly**	

Equality Analysis

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	set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.	
Stop or amend the proposed change	Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.	
Will this decision be considered at a scheduled meeting? e.g. Contracts and Commissioning Board (CCB) / Cabinet	Meeting title: Cabinet Date: 8th July 2019	

7.   Sign-Off

Officers that must approve this decision	
Equalities Lead	Name: Yvonne Okiyo Date: 13.6.19 Position: Equalities Manager
Director	Name: Date: Position:

For general release

REPORT TO:	CABINET 8th JULY 2019
SUBJECT:	JULY FINANCIAL REVIEW
LEAD OFFICER:	Lisa Taylor, Director of Finance, Investment And Risk (Interim Section 151 Officer) Jacqueline Harris Baker, Executive Director Resources & Monitoring Officer
CABINET MEMBER:	Councillor Tony Newman The Leader Councillor Simon Hall Cabinet Member For Finance And Resources
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT:

A regular review of the Council's Financial plan 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 financial outturn for 2018/19 for revenue, capital and the Housing Revenue Account. It updates on the current position of the council's Revolving Investment Fund (RIF) and the overall financial standing of the council.

The report also sets out the latest medium financial forecasts and risks for the council.

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

1. RECOMMENDATIONS

It is recommended that Cabinet approves:

1.1 The approach to ensuring the financial challenge of the period 2019/22 continues to be managed efficiently and effectively including delegation of decisions on measures to deliver the 2019/20 budget to the Cabinet Member for Finance and Resources in consultation with the relevant Cabinet member as set out in paragraph 4.12.

1.2 The revised capital programme as detailed in section 5 and appendix 1 and 2 of this report.

1.3 The continued use of capital receipts for funding transformation as detailed in section 6.

That Cabinet Notes :-

1.4 Final outturn of the 2018/19 budget as detailed in section 3.

1.5 The update on the Revolving Investment Fund as detailed in section 3.21.

2. EXECUTIVE SUMMARY

2.1 The Council's budget for 2019/20 was approved by Full Council on the 4th March 2019 (Minute A14/18), as part of the annual budget setting cycle of the Council. This report provides an update of progress towards ensuring the financial challenges for 2019/22 are managed in the most effective way possible and provides an update on the:

- The Council's overall financial position including the 2018/19 outturn position;
- Key financial changes which impact on Croydon's local and wider financial 'environment';
- The Council's readiness in delivering the 2019/20 budget and any resultant impact of this on future years.
- The Revolving Investment Fund – RIF and
- Capital Programme and use of capital receipts to fund transformation.

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. The main areas continue to be in relation to Adult Social Care, Children's Social Care, Unaccompanied Asylum Seekers, No Recourse to Public Funds and Emergency and Temporary Accommodation.

2.3 The revenue outturn for 2018/19 was an overspend before exceptional items of £0.345m (less than 0.1% of gross departmental expenditure), exceptional items of £5.121m, leading to an overall overspend of **£5.466m**. This is the same as forecast and reported at quarter 3. The 2018/19 outturn is detailed in graph 1 below and section 3 of this report. Cabinet should note that as reported to Cabinet in February 2019 this

over spend has been funded by drawing down from earmarked reserves in 2018/19, and replenishing these reserves from the collection fund surplus. This is a similar process to last year whereby £4.7m was added to earmarked reserves on the 1st April 2018.

Graph 1 – Forecast Revenue outturn for 2016/17 - 2018/19 by quarter.
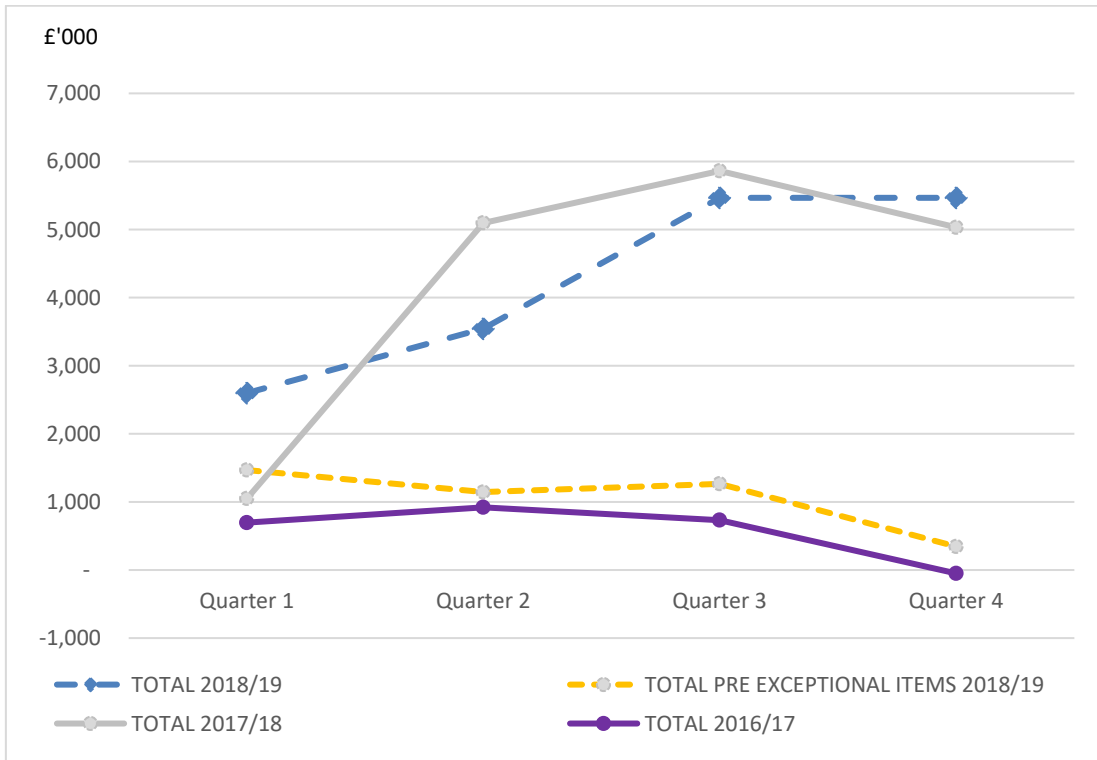
2.4   Work has been ongoing to try and reduce the impact of the pressures which includes:

- The continued integration between health and social care through the One Croydon Alliance.

- Greater governance for all Adult Social Care placements.

- Continuation of the Gateway service to provide more support at the front door to prevent service users coming in later with more complex and expensive issues.

- Continuation of the Think Family programme – focusing on cohorts of the most expensive households who use multiple council services to make efficiencies through a joined up approach.

- Continued implementation of the recommendations from the Children's Social Care Ofsted Inspection.

- The implementation of Adult Social Care fees and charges from 2019/20.

- Recognising the impact of parking income increase.

- A review of the SEN travel policy and the type of provision.

- Continued lobbying of Government to fully fund the services, especially in relation to UASC and NRPF.

- A review of services provided by external contractors.

- Gains available from the London Business Rates pool are also under review, which could be up to £2m greater than budgeted for, dependent on business rates performance across London.

2.5   As reported to this cabinet in February 2019, 2019/20 is the last year of the four year funding agreement and funding for future years has yet to be confirmed by government. This leads to a significant level of uncertainty regarding the medium term, making financial planning extremely difficult. The Chief Secretary to the Treasury has recently reported that it is unlikely that current ongoing Spending Review will cover numerous years.

2.6   As previously reported to this Cabinet we have continued to engage in all consultations with the government and will continue to do so to ensure Croydon's views are represented.

2.7   To set the balanced budget for 2019/20 we had to make a number of key assumptions around the level of growth for areas where demand and cost have increased, alongside savings to offset this increased growth. These are detailed in table 6 below.

2.8   The Local Government Association (LGA) have predicted that there is a funding shortfall of £8bn across the Public Sector by 2025. This is as a result of growing demand for services and increases in population particularly in social care services where the gap for adult social care is predicted to be £3.6bn by 2025 and £3.1bn in children's services.
There are also predicted funding shortfalls in a number of other areas, with key ones being, Homelessness at £421m and Public Health £655m.

2.9   The 2017/18 local government finance settlement amended the use of the additional Social Care receipt, announcing that it could be applied at 3% per annum for 2017/18 and 2018/19, but needed to maintain a maximum additional precept of 6% for the period 2017/18 to 2019/20. Therefore if an authority chose to use the higher 3% threshold in each of 2017/18 and 2018/19, then it would not be able to have an additional precept in 2019/20.   Croydon increased the Social Care Precept by 3% and 2% respectively in 2017/18 and 2018/19 leaving the balance of 1% which has been levied for 2019/20. The Future of this precept is currently

unconfirmed.

3.   FINANCIAL PERFORMANCE 2018/19

Revenue position

3.1   Last year was the eighth successive challenging financial year of austerity. The magnitude of government grant cuts resulting again in a high level of savings needing to be achieved to balance the budget. Through careful budget management and in year interventions to reduce costs and increase income, and despite the exceptional costs in respect of Unaccompanied Asylum Seeking children and related areas the year end revenue position for the Council was an overspend of £5.466m, which is in line with our projections at quarter 3 as shown in graph 1 of this report.

3.2   The measures detailed in the Executive Summary have played an important part in controlling the Council's expenditure during 2018/19, with the final outturn position being £5.466m overspent, as per our forecast at quarter 3, met by monies held in earmarked reserves. A £5.466m contribution to reserves has been budgeted in 2019/20 to replace this drawdown. The General Fund balances remain unchanged at £10.4m at the end of 2018/19, this is the same level as 2017/18.

3.3   The long term target set out in the Financial Strategy is to hold General Fund balances of 5% of the council's net budget requirement. For 2018/19 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 2.5% in 2020/21, which is in the region of £6.5. This would see the 5% target reduce by £12.5m, making it £262m by the end of 2020.

3.4   The revenue outturn for 2018/19 was an overspend before exceptional items of £0.345m, which is 0.13% of the Council's net budget requirement. Exceptional items of £5.121m relating to unfunded UASC costs, lead to an overall overspend of **£5.466m**.
Details are provided in Table 1 below grouped in the management structure of the Council from 2018/19.

3.5   Further detail are set out later in this report in section 4.5 on the unique financial challenges Croydon continue to face in relation to UASC.

3.6   Despite all of these pressures and demand for services the Council's general fund reserves have remained stable at £10.4m and earmarked reserves have decreased slightly by £1.5m to £14.2m. A number of targeted funding streams have continued to be drawn out of reserves in 2018/19 to support delivery mainly around the transformation agenda. It is worth noting £4.7m has been added back to earmarked reserves in

April 2019.

Table 1 - Revenue Outturn Summary for 2018/19

Quarter 3 forecast outturn variance £'000	Department	Revised Budget £'000	Outturn 2018/19 £'000	Variation from Revised Budget	
				£'000	%
2,099	Health, Wellbeing and Adults	105,409	107,140	1,731	1.64%
9,131	Children, Families and Education	68,354	77,886	9,532	13.95%
(5,350)	Place	48,430	43,020	(5,410)	-11.17%
1,002	Gateway, Strategy and Engagement	31,434	31,410	(24)	-0.08%
2,018	Resources	28,439	29,608	1,169	4.11%
8,900	**Departmental Total**	**282,066**	**289,064**	**6,998**	**2.48%**
(6,100)	Non-Departmental Items	(282,066)	(288,719)	(6,653)	
2,800	**Revenue Total before Exceptional Items**	**0**	**345**	**345**	
2,666	Exceptional items	0	5,121	5,121	
5,466	**Total transfer from balances**	**0**	**5,466**	**5,466**	

3.10 Further detail on the Council's Financial Performance for 2018/19 is being reported to the General Purpose and Audit Committee meeting on the 23rd July alongside the Annual Accounts.

Capital Programme

3.11 The original approved capital programme for 2018/19 totalled £345m, which was increased during the year to £449m to reflect both programme slippage and re-profiling of schemes. Actual capital spend in 2018/19 was £355m, with the resultant underspend of £94m (21%) mainly attributable to slippage in the delivery of schemes. Table 2 below, shows spending against budget by Department in 2018/19 and Appendix 1 provides a detailed breakdown of spend against budget for the capital programme. Appendix 2 details the funding sources for the programme.

Table 2 – Capital Outturn Variances for 2018/19

Department	Original Budget £'000s	Budget Adjustments £'000s	Revised Budget £'000s	Outturn £'000s	Outturn Variance £'000s
Health, Wellbeing and Adults	0	579	579	245	(334)
Children, Families and Education	35,527	(1,192)	34,335	20,387	(13,948)
Place	224,984	(87,095)	137,889	107,788	(30,101)
Gateway, Strategy and Engagement	33,850	94,718	128,568	98,997	(29,571)
Resources	19,105	91,664	110,769	98,105	(12,664)
General Fund	313,466	98,674	412,140	325,522	(86,618)
Housing Revenue Account	32,385	4,715	37,100	30,058	(7,042)
Total Capital	345,851	103,389	449,240	355,580	(93,660)

Housing Revenue Account (HRA)

3.12 The 2018/19 outturn is a surplus of **£0.736m** which has been transferred to HRA reserves.

3.13 The main variances of HRA revenue spend against budget are set out in Table 3 below.

Table 3- Analysis of Housing Revenue Account Variances 2018/19

Division	Variance £'000s	Detailed explanation
HRA – Housing Needs	1,171	Overspend on leased properties used for the provision of temporary accommodation and staffing costs as a result of carrying out fire safety assessments.
HRA – Council Homes, Districts & Regeneration	(1,907)	Underspends due to vacancies within the team. Repairs costs being lower than budgeted for.
Total HRA underspend	(736)	

3.14 HRA Capital expenditure totalled £30.058m. Expenditure was lower than the revised budget of £37.100m by £7.041m, due to reduced spending on the major repairs programme in year.

Balance Sheet and Financial Strategy

3.15 Table 4 below shows the position on the Council's balances, reserves and provisions as at 31 March 2019, compared with previous years. This table excludes Locally Managed Schools reserves, as they are managed by Schools.

Table 4 - Analysis of Movement in Reserves and Balances

Balances and Reserves	2016/17 £m	2017/18 £m	2018/19 £m
General Fund Balances	10.7	10.4	10.4
Earmarked Reserves excluding Schools	30.1	15.7	14.2
General Fund Provisions	37.1	41.2	41.5
Total	**77.9**	**67.3**	**66.1**

3.16 The overall value of school reserves have increased by £1.3m to £3.7m. This includes a decrease in revenue reserves by £1.4m to £2.6m and an increase in capital reserves by £0.7m to £1.1m.

3.17 The Council's General Fund Provisions have increased from £41.2m to £41.5m as at 31st March 2019.

3.18 The Collection Fund has an overall surplus of £5.409m which has been carried forward in to 2019/20. Croydon's share of this is a surplus of £6.938m, which is greater than the overall surplus because of the way NNDR retention percentages with the MHCLG have changed between 2017/18 and 2018/19. Croydon's share is comprised of a Council Tax surplus of £4.676m and a Business Rates surplus of £2.262m. £5.466m of this balance has been transferred to earmarked reserves on 1 April 2019 in order to fund the 2018/19 deficit.

3.19 The Council's Pension Fund increased in value in 2018/19 by £111.6m (9.8%) to a value of £1.25bn.

3.20 The Council also has both S106 and CIL reserves of £9m and £11m respectively for investment in the borough on schemes that meet the criteria. Commitments have been made against these reserves and investment will be made in the year ahead.

Revolving Investment Fund (RIF)

3.21 Cabinet previously agreed to set up a Revolving Investment Fund (RIF) to support the delivery of Growth within the Borough. As previously reported to this cabinet the RIF is acting as funder to the development company Brick by Brick, the Housing LLP, Box Park and Taberner House.

3.22 The RIF lends at commercial rates whilst borrowing at the lower rates which are available to the Council. The net returns estimated over the next 3 years are between £1m -£2m per annum, and are included in the revenue budget. Table 5 below details the loans, interest arrangements and payment dates.

Table 5 –Loans made from the RIF at 31.3.2019.

	Loan amount £m	Interest %	Net interest earned in 2018-19 £m	Repayment Date
Box Park	3.000	10.90%	0.185	October 2021 (loan term 5 years)
Brick by Brick (Croydon)	104.330	5% - 6.25%	1.321	5th anniversary of the relevant loan, unless otherwise agreed
Taberner House LLP	10.062	6%	0.182	12 months after practical completion, unless otherwise agreed
Croydon Affordable Housing LLP	2.289	3.25%	0.003	November 2058 (loan term 41 years)
Total	**119.681**		**1.691**	

4.   BUDGET 2019/20

4.1   The budget for 2019/20 was approved by Council in March 2019. Cabinet will be aware that a significant amount of growth was included to address some of the budget issues from 2018/19. Table 6 below sets out the allocation of growth and savings in 2019/20.

Table 6 - Departmental Growth and Savings 2019/20

Department	Growth £m's	Saving £m's	NET £m's
Children, Families and Education	15.000 *	-1.000	14.000
Health, Wellbeing and Adults	7.221 **	-8.348	-1.127
Gateway, Strategy and Engagement	3.338	-2.500	0.838
Place	3.300	-7.968	-4.668
Resources	0.000	-8.053	-8.053
Total	**28.859**	**-27.887**	**0.972**

'* Includes £3m growth for Children with Disabilities that was previously part of the Health, Wellbeing and Adults department.
'** Excludes £3m growth for Children with Disabilities now part of the Children, Families and Education department.

4.2   Growth is needed particularly in areas of the council's budget which are driven by demand for our services, where we know from previous financial years that there are risks to delivering a balanced budget or as a result of new burdens. These pressures are listed in more detail below.

4.3   **Health, Wellbeing and Adults**

4.3.1   It is widely recognised that there is a national crisis within the provision of adult social care services and the crisis facing adult social care has been recognised by all political parties and the Government has committed to addressing this in the longer term.

4.3.2   The Budget 2018 announced £650m of additional Social Care Funding, the government indicated how this funding will be allocated in 2019/20.

4.3.3   As reported to this Cabinet in the budget report in February 2019, this comprises of the Winter Pressures Grant of £240m of additional funding in 2019/20 for councils to spend on adult social care services to alleviate winter pressures on the NHS. This Winter Pressures Grant funding will be allocated in 2019/20 using the existing Adult Social Care Relative Needs Formula. This funding is ring-fenced and will be pooled into the Better Care Fund.

4.3.4   The other element is the Social Care Support Grant. £410m in 2019/20 for use for adult and children's social services. The government believes there is not a single bespoke needs formula that can be used to model relative needs for both adult and children's social care fund therefore the existing Adult Social Care Relative Needs Formula will also be used to distribute this Social Care Support Grant funding. This grant will not be ring-fenced, and conditions or reporting requirements will not be attached, nor there should any prescription of how much of it be spent on adult social care or children's social care.

4.3.5   Croydon has been awarded Improved Better Care Funding of £15.4m over the two year period 2018 to 2020. £7.1m in 2018/19 and £8.3m in 2019/20. Work continues with the CCG agreeing how this money will be spent across the health and social care sector to ensure the criteria of the funding of Meeting Adult Social Care Needs, Supporting Hospital Discharge and Stabilising the Social Care provider Market are met.

4.3.6   While the additional money announced will make a significant contribution to protecting services that care for older and disabled people, it is not enough to address the wider pressures across the sector, nor is it planned to continue after 2019/20.

4.3.7   In Croydon we are continuing to experiencing increasing demand for Adult Social Care services along with a rise in the number of complex cases. The main area of increasing spend is the 25-65 all age disability service where there has been an increased demand for services and increase in complexity of need, with client numbers increasing from 5,870 at the start of 2018/19 to 5,889 at the year end, a net increase of

19 which comprises 121 new clients and 102 clients no longer receiving services. These new clients tend to be more complex and so usually more costly. The overspend in 2018/19 associated with Adult Social Care and all Age Disability was £911k, after the application of £2m of IBCF funding and £12.971 funding from flexible capital receipts for transformation. Growth has been allocated in the 2019/20 budget.

4.3.8   The One Croydon Alliance for over 65's with Health partners is aimed at managing health and social care pathways and costs more effectively. This programme is now in its third year and delivering benefits to residents and to the health and social care economy in Croydon.

4.4   **Children's Social Care**

4.4.1   In the July 2017 Ofsted undertook a single inspection framework inspection of Croydon's services for children in need of help and protection, children looked after and care leavers, the findings of which have been reported to this cabinet. As a result of this inspection additional funding and resources were allocated to the service in year in 2017/18 and in the 2018/19 and 2019/20 budgets. There was a £9.5m overspend in 2018/19 and £11m net has been allocated to the base budget for 2019/20, (excluding children with disabilities - £3m of growth was allocated to this service in 2019/20) with additional funding available from capital receipts for transformation.

4.4.2   The number of local Looked after Children in 2018/19 rose from 484 at the start of the year to 550 at the end of the year peaking at 551 in January 2019. Alongside the increase in the number of cases we have also experienced an increase in the complexity of cases resulting in the need for higher cost placements.

4.4.3   Children in Need continues to be challenging, and at the start of the financial year there were 742 cases reducing to 701 by the end of the year. Although there has been a reduction in the number of caseloads, the high number throughout the year has resulted in the need for additional staff and an increase in placements.

4.4.4   To help manage these increasing demands and deliver the improvement work identified in the Ofsted inspection £10.611m of growth has been allocated to children's social care and £0.389m for business support to this service in 2019/20. Additional funding of £3m has also been allocated for Children with Disabilities to fund increasing demand.

4.5   **UASC – Unaccompanied Asylum Seeking Children**

4.5.1   As previously reported to Cabinet, Croydon for a number of years has faced local pressure as a result of an inadequate grant from the Home Office for UASC.

4.5.2   As a result of the Home Office being located in Croydon we are a
          gateway authority, and face pressures on a scale greater even than
          Kent.   UASC numbers are currently increasing with over 290 currently
          placed in Croydon and with the national transfer scheme being in crisis
          it is becoming increasingly difficult to transfer UASC out of Croydon and
          therefore resulting in increasing costs that are not fully funded by the
          Home Office Grant.

4.5.3   We have previously received additional funding of £6.5m from the Home
          Office as a gateway Authority and after prolonged negotiations and
          discussions during 2015/16 our daily rate was increased above the
          national rate to recognise our increased costs. These increased daily
          rates remained in place until the end of the 2018/19 financial year.
          Despite this enhanced rate funding is still not adequate to cover all costs
          incurred and in 2018/19 Croydon Council Tax payers funded £10.6m of
          costs related to UASC. This included costs associated with education,
          health and placements.

4.5.4   We have continued to lobby the government to fund all associated
          UASC costs, however this lobbying has largely been ignored despite
          face to face meetings with Ministers and promises to fairly fund
          Croydon.

4.5.5   The Home Office have failed to engage in conversation with us to
          discuss the 2019/20 rates having announced a funding boost of over
          £30 million for local authorities looking after unaccompanied asylum
          seeking children.

4.5.6   On the 8th May 2019 the Immigration Minister wrote to all Local
          Authorities confirming uplifted funding rates. This letter confirmed
          funding rates for 2019/20 which were uprated for the whole country to
          match the funding already being paid to Croydon for 16/17 years olds,
          but no increase to Croydon rates.

4.5.7   In 2018/19 Croydon tax payers funded over £10.6m of costs related to
          UASC that should have been funded by government.

4.5.8   The continued failure to fund Croydon for costs incurred to support
          these vulnerable young people will continue to put an enormous strain
          on our financial reserves.

4.6   Special Education Needs (SEN)

4.6.1   We are also continuing to experience an increase in the number of
          children and young people with Special Education needs. Resulting in
          an increase in costs funded from the Dedicated Schools Grant (DSG) as
          well as an increase in the number of young people requiring travel to
          school.

4.6.2   The High Needs Block of the DSG has seen costs rising annually and in

2018/19 spending was greater than budget by £5.6m, with a cumulative high needs deficit of £13m.

4.6.3 Following a brief consultation period the Department for Education (DfE) introduced, as a condition of the 2019/20 Dedicated School Grant (DSG), the requirement to provide recovery plans for DSG deficits. Where a LA has an overall deficit on DSG of one per cent or more at the end of the 2018/19 financial year, it must submit a recovery plan to the DfE by 30th June 2019, setting out how it plans to bring the overall DSG account into balance within a maximum of three years. In exceptional cases the authority may propose to leave some of the accumulated deficit outstanding, where it is not practicable to do otherwise. The recovery plan should be discussed and, if possible, agreed with the Schools Forum, and will require Chief Finance Officer (CFO) / Section 151 Officer sign off prior to submission to the DfE.

4.6.4 Our plans for the recovery of this deficit were presented to Children and Young People Scrutiny Sub Committee on the 18th June 2019, following a discussion with the Schools Forum and we plan to bring the DSG High Needs back in line with Budget in five years and then to manage the cumulative deficit after that.

4.6.5 CIPFA have confirmed that Local Authorities can retain DSG deficits and that they do not need to be funded from General fund reserves as long as there is a deficit recover plan that has been submitted to the DFE. Croydon Council has submitted its plan.

4.6.6 In 2018/19 the number of pupils requiring SEN transport rose by 15% from 1,293 to 1,492. As a consequence of this the budget overspent by over £2m. An additional £2m budget has been allocated in 2019/20 for such costs. Work is continuing to review and manage transport costs and a new Transport Board has been established to review this service.

4.7 **Housing**

4.7.1 The Homelessness Reduction Act 2017 allocated Croydon £1.292m over the period 2017/18 – 2019/20 to fund the new Homelessness Reduction Act obligations. In line with previous years expenditure in 2019/20 is expected to exceed the annual allocation.

4.7.2 Croydon continues to face significant need for temporary and emergency accommodation from homeless households, along with high numbers sleeping rough in the borough. £0.500m of growth has been included in the 2019/20 temporary accommodation budget to help tackle this growing demand. The government's funding ('Trailblazers') for homelessness prevention was allocated for 24 months from January 2017 - £0.192m in 2016/17 and £0.404m each in 2017/18 and 2018/19. The council also secured through the government's Rough Sleeping Initiative Fund to significantly reduce the number of people sleeping rough. Croydon received £510,210 allocation in 2018/19 and a further £468,054 allocation

in 2019/20 was announced in March 2019.

4.7.3 The Council rehoused 273 social housing tenants and 320 families from the housing register. Re-let 567 empty Council properties (including 112 sheltered properties).Supported 1,483 people through 'Staying put' home improvements to enable them to stay in their homes through repair and improvements works and handy person services. 305 placements were made in the private rented sector. 47 council tenants moved to smaller homes more suited to their household size, in tackling under-occupying. In addition, delivered adaptations to enable disabled people to remain in their homes and also developed a joint approach with Children services to meet the housing need of young people leaving care.

4.7.4 In 2018 the Council launched a Social Lettings Agency (SLA) – called Croydon Lettings. The aim was to procure private rented accommodation at or below the local housing allowances (LHA), without paying incentives to landlords. The rent levels were negotiated with the offer of tenancy training for new tenants, provide a wrap-around support for both the landlord and tenant should "tenancy sustainment" issues arise. In the first year 41 residents all at LHA or below, and negotiated a reduction in rent of £32k p.a. for these residents. 75 landlords/agents have joined the SLA scheme.

4.7.5 We are trying to mitigate these increasing costs by increasing the supply of affordable accommodation. The Council has set up an independent housing development company to increase the provision of affordable housing within the borough, through a choice of shared ownerships and affordable accommodation. The company Brick by Brick (BxB) currently have planning consents on around 40 sites and will be delivering 1,000+ new homes, including 400+ affordable homes. Increasing supply will reduce the need for expensive temporary accommodation and provide more suitable accommodation.

4.7.6 The Council approved the use of retained Right-to-Buy (RTB) receipts for street property acquisitions, this will prevent having to return receipts to the government with interest. In 2017/18, the first 96 units have been transferred to Croydon Affordable Homes LLP, a limited liability partnership (LLP) with a local charity in a structure that will allow RTB receipts to be invested in the development activity whilst allowing the Council to retain a long-term interest in the assets. In 2018/19, the first tranche 167 of 250 units have been transferred to Croydon Taberner LLP, more transfers of units to LLPs are planned in the future.

4.8 The budget also included a range of savings proposals as set out in Table 6 above;

4.9 At this stage the majority of these savings are on track to be delivered with limited slippage in plans.

4.10   There continues to remain significant demand pressures and challenges to deliver to budget in 2019/20. A full update will be brought to Cabinet in September on the quarter 1 performance. There is £2m of contingency set aside within the budget.

4.11   It is therefore vital that work on options to reduce these pressures is prioritised. This includes exploring a number of options as follows:

- A review of parking services.

- Continued review of all fees and charges

- A further review of licensing and other fees and charges.

- A continued review of the provision for those individuals and families who are "Appeal Rights Exhausted."

- A review of costs associated with housing needs in the borough

4.12   Given the need to continue to act quickly in these areas and many others it is recommended delegation is given to the Cabinet member for Finance and Resources to make decisions in consultation with the relevant Cabinet member (or the Leader where it relates to his portfolio) to bring proposals forward to reduce the pressure on the 2019/20 budget. Any normal processes in relation to key decisions and appropriate consultation would apply.

5   CAPITAL PROGRAMME INVESTMENT – 2019/20

5.1   In February 2019 Cabinet agreed the capital programme. During the first quarter of the financial year there have been a number of requests for amendments to the capital programme as a result of updated cost estimates or changes to priorities, these are detailed in para 5.4 below, along with slippage from 2018/19. With full details of the programme in appendix 1 to this report and details of the funding of the programme in appendix 2 to this report.

5.2   Cabinet is asked to approve the following changes to the Capital Programme resulting in a revised general fund capital programme of £278.4m for 2019/20 and £45.4m for the HRA. This is detailed below in table 7.

Table 7 - Revised Capital Programme – 2019/22

	2019/20 Original Budget (£m)	Slippage from 201819 (£m)	2019/20 Re-Profiling (£m)	2019/20 Revised Budget (£m)	2020/21 (£m)	2021/22 (£m)
General Fund	183.5	92.6	2.3	278.4	95.8	87.4
HRA	38.4	7.0	0	45.4	26.9	26.9
TOTAL	**221.9**	**99.6**	**2.3**	**323.8**	**122.7**	**114.3**

5.3   The revisions are as a result of slippage from 2018/19 of £99.6m (£92.6m for the General Fund and £7m for the HRA), with the main changes in the general fund being in relation to the Education Estates Programme, housing programme and HRA.

5.4   New additions to the programme relate to the following projects :-

• The development of the new Timebridge Community Centre which now includes a family centre of £1.1m. This will provide much needed community space to the area.

• Crosfield – additional capital funding of £0.45m towards the development of the building to bring the Crosfield Industrial unit up to a lettable standard and allow the Community Equipment Service, currently based at Boulogne Road to fulfil its commercial objectives of generating new income and delivering social impact for the Council.

• CALAT – additional capital funding of £0.6m for improvements to adult and community learning through CALAT to improve the learner experience and future-proof the service positioning it for skills devolution. The funding will cover digital upgrades to improve the teaching and learning experience, and improvements to Strand House in Thornton Heath creating new and improving existing fit for purpose learning spaces that address skills gaps for business in high demand areas such as health and care and leisure and hospitality.

• University - Launched at MIPIM 2019 Croydon Creative Campus is our approach to the metropolitan centre which looks to ensure a flexible changing mix of uses in the centre reducing reliance on retail. Croydon Creative Campus will deliver a mix of creative, learning, retail, cultural, leisure, commercial and residential uses that can change over time as the needs and demands of our populations change. It will bring together a vibrant mix of uses in high quality built environment and public realm. The council working with

developers, stakeholders and higher education providers aims to bring about this change by embedding a high quality university presence as phase 1 of the Creative   The cost and funding of this programme is yet to be developed and will be reported to Cabinet at a later stage when known.

6   USE OF CAPITAL RECEIPTS

6.1   In March 2016 the DCLG (now MHCLG) issued guidance allowing a more flexible approach to using capital receipts. This guidance enabled local authorities to have the flexibility to use capital receipts from the disposal of property, plant or equipment assets for expenditure on projects that will generate ongoing savings and efficiencies.

6.2   At the beginning of the 2018/19 financial year the balance of general fund capital receipts was £11.2m. In year receipts of £61.2m were received and all of the capital receipts were used to fund both the capital programme and transformation projects listed in table 9 below.

6.3   In July 2016 (Minute ref A76/16) it was reported to this Cabinet that the Council would be taking advantage of this new flexibility and in 2018/19 £29.3m of transformation projects were funded form capital receipts. These are detailed in table 8 below.

Table 8 – Transformation projects funded from flexible capital receipts.

	2018/19 £m
Housing Initiatives	3.092
Adult Social Care new Initiatives	11.847
Children's Services	9.810
Demand Management	0.203
Transformation programme including ICT	4.354
Total	**29.306**

6.4   To enable the continued delivery of our transformation programme we will continue to use this approach to the flexible use of Capital Receipts in 2019/20. Further reports on progress of these projects will be presented to this cabinet as part of the quarterly financial monitoring report.

7   HRA

7.1   Managing the Housing Revenue Account continues to be an ongoing challenge for the Council in light of legislative changes driven by the

government. The biggest challenge remains the impact of the 1% rent reduction each year from 2016/17 to 2019/20. The cumulative loss of revenue over the 4 years amounts to £31m and the income base from rents has been reduced by £23m. The outlook for the HRA is based on a rapidly decreasing rent base due to the on-going sale of HRA stock via right-to-buy (RTB). The government has discontinued the implementation of the High Value Voids but uncertainty remains with other government consultations regarding the use of RTB capital receipts.

7.2   The sharp reduction in rents over the medium-term means that savings are needed across the HRA. In 2019/20 an efficiency programme with a value of £1.088m is being delivered across the housing management structure. The council is reviewing the HRA capital programme alongside its efficiency programme in order to keep the HRA sustainable. Further mitigating options will be identified as part of the HRA business planning cycle in the run up to 2020/21.

7.3   The government announced the lifting of the borrowing cap in October 2018. The removal of the borrowing cap provides an opportunity for the Council to borrow more money for social housing provision in the future which it can use flexibly subject to affordability constraints. Prior to the lifting of the borrowing cap, the introduction of self-financing for the Housing Revenue Account (HRA) in April 2012 was accompanied by a limit on the amount of housing debt that each authority could hold. Croydon's current HRA debt is £324m with a headroom of £11m as against the old borrowing cap. The limitations this generated for the HRA business plan resulted in many authorities (including Croydon) seeking to borrow to support affordable housing outside the HRA. In the 2017 Autumn Budget statement, an additional £1 billion of borrowing was allocated to the Housing Revenue Account across 'areas of high affordability pressure' of which Croydon Council secured £61m of borrowing.

7.4   Following the Grenfell Tower tragedy in June 2016 the Council committed to installing a range of fire safety measures across its own housing stock. This includes the installation of water sprinklers in residential blocks over ten storeys high. The cost of these works was in the region of £5m for 2018/19 and increased to £10m for 2019/20. The Council has lobbied the government to fund these essential safety works on a number of occasions and unfortunately they have failed to provide any funding, resulting in the costs being funded from the HRA.

7.5   From 2017, the Council approved the use of Right-to-Buy (RTB) receipts to support investment in affordable housing across the borough (namely Brick-by-Brick developments, Taberner House, and existing properties purchased under the ETA scheme. The first 96 units have been transferred to Croydon Affordable Homes LLP, a limited liability partnership (LLP) with a local charity in a structure that will allow RTB receipts to be invested in the development activity whilst allowing the Council to retain a long-term interest in the assets. In 2018/19, a further

167 units have been transferred to the LLP, with a further 83 to be transferred in 2019/20. More purchases and transfers are planned in the future.

8.   BUDGET 2020/22 – PLANNING ASSUMPTIONS

8.1   Table 9 below sets out the MTFS assumption in relation to the budget for 2020/22. This includes the options identified as part of the medium term financial strategy that was presented to Cabinet in October 2018 and the subsequent report to Cabinet on the 2019/20 budget.

Table 19 - Budget Gap 2020/22

	2020/21 £m	2020/21 £m
Net Budget Gap	12.5	7.7

8.2   The gap above is based on current assumptions and initiatives that we are aware of. At the current time we are working with officers and members to review the budget and close the gap for 2020/21 and this will be reported back to Scrutiny and Overview Committee and Cabinet as part of the budget setting process.

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9.   SUMMARY AND CONCLUSIONS

9.1   As all Members are aware, setting a budget for 2020/21 that is robust, balanced and deliverable is challenging, and will involve a number of difficult decisions in these challenging times.

10.   FINANCIAL CONSIDERATIONS

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

Approved by Lisa Taylor Director of Finance, Investment and Risk (Interim Section 151 Officer)

11.   LEGAL CONSIDERATIONS

11.1   The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that this report details updated information required for the Council's statutory duty to set a balanced budget.

Approved by, Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

12.   HUMAN RESOURCES IMPACT

12.1   There are no specific highlighted implications for LBC workforce arising from this report.

12.2   Any future proposals on budget that may have any impact on the workforce would be consulted on in line with agreed formal consultation arrangements with the recognised trade unions.

Approved by: Sue Moorman, Director of HR.

13.   EQUALITIES IMPACT

13.1   There are no specific issues arising from this report.

14.   ENVIRONMENTAL IMPACT

14.1   There are no specific issues arising from this report.

15.   CRIME AND DISORDER REDUCTION IMPACT

15.1   There are no specific issues arising from this report.

16.   REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

16.1   These are detailed within the report.

17.   OPTIONS CONSIDERED AND REJECTED

17.1   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: Lisa Taylor Director of Finance, Investment and Risk
(Interim Section 151 Officer)

Appendices: Appendix 1 – Capital Programme 2018-2022
Appendix 2 – Capital Funding 2019/20 to 2021/22

Background docs: Medium Term Financial Strategy 2018/22

CAPITAL PROGRAMME 2018-22   Appendix 1

Description	Revised budget 2018/19 £000's	Outturn 2018/19 £000's	Outturn Variance 2018/19 £000's	Proposed Slippage 2018/19 £000's	Original budget 2019/20 £000's	Budget adjustments £000's	Revised budget 2019/20 £000's	Budget 2020/21 £000's	Budget 2021/22 £000's	Total original budget 19/20 to 21/22 £000's
Adults Social Care ICT	579	245	(334)	334			334			
Health Wellbeing and Adults Sub Total	579	245	(334)	334			334			
Education - Academies Programme	38	37	(1)							
Education – DDA	6	13	7							
Education - Fixed Term Expansions	1,993	613	(1,380)	1,380	900		2,280	336		1,236
Education - Major Maintenance and Fire Safety	5,653	3,009	(2,644)	2,644	3,000		5,644	2,000	2,000	7,000
Education - Miscellaneous	1,162	103	(1,059)	1,059	4,935		5,994	272	207	5,414
Education - Permanent Expansion	10,751	7,126	(3,625)	3,625	719		4,344	508	399	1,626
Education - Secondary Estate	151	219	68							
Education - SEN	9,403	6,236	(3,167)	3,167	24,534		27,701	11,681	473	36,688
Education - SEN Centre of Excellence	1,750		(1,750)	1,750	1,550		3,300			1,550
Onside Youth Zone	3,428	3,031	(397)	397			397			
Children Families and Education Sub Total	34,335	20,387	(13,948)	14,022	35,638		49,660	14,797	3,079	53,514
Bereavement Services	2,683	108	(2,575)	2,575			2,575			
Disabled Facilities Grant	3,494	1,515	(1,979)	1,979	2,400		4,379	2,400	2,400	7,200
Affordable Housing	122,391	97,374	(25,017)	25,017	7,273		32,290			7,273
Gateway Strategy and Engagement Sub Total	128,568	98,997	(29,571)	29,571	9,673		39,244	2,400	2,400	14,473
Allotments					341		341			341
Blackhorse Lane Bridge	3,655	831	(2,824)	2,824			2,824			
Brick by Brick programme	75,140	60,721	(14,419)	14,419	30,000		44,419	20,000		50,000
Community Ward Budgets	696		(696)	696	576		1,272	576	576	1,728
CALAT						660	660			
Devolution initiatives	782		(782)	782	912		1,694	912	912	2,736
Empty Homes Grants	500	91	(409)	409	1,000		1,409	500	500	2,000
Fairfield Halls - Council	721	495	(226)	226			226			
Feasibility Fund	605	387	(218)	218	330		548	330	330	990
Fieldway Cluster (Timebridge Community Centre)	4,000	702	(3,298)	3,298	1,413	1,168	5,879			1,413
Fiveways junction					3,000		3,000	2,000		5,000
Growth Zone	4,574	2,792	(1,782)	1,782	8,000		9,782	20,000	60,000	88,000
Highways	5,000	5,195	195		5,000		5,000	5,000	5,000	15,000
Highways - flood water management	410	161	(249)	249	414		663	175		589
Highways - bridges and highways structures	793	593	(200)	200	223		423	8,110		8,333
Highways - Tree works	179	145	(34)	34	179		213	179	179	537
Measures to mitigate travellers in parks and open spaces	95	22	(73)	73			73			
Leisure centres equipment upgrade	2,291	770	(1,521)	1,521	1,004		2,525			1,004
Libraries investment - general	212	50	(162)	162	2,000		2,162	2,000	1,000	5,000
Libraries investment - South Norwood library	555	16	(539)	539			539			
New Addington Leisure Centre	12,697	12,363	(334)	334	5,796		6,130			5,796
New Addington wellbeing centre - borrowing element	200	38	(162)	162			162	6,500	6,500	13,000
New waste contract - vehicles	9,046	6,267	(2,779)	2,779			2,779			
Old Ashburton Library		138	138							
P&D Machine Replacement Programme	20		(20)	20			20			
Parking	400	473	73		153		153			153
Park Life					12,151		12,151			12,151
Play Equipment					985		985			985
Public Realm	1,737	1,688	(49)	49			49			
Salt Barn	524	615	91							
Safety - digital upgrade of CCTV	500	42	(458)	458	500		958			500
Section 106 Schemes	2,637	518	(2,119)	2,119			2,119			
Signage	25		(25)	25			25			
South Norwood regeneration	500		(500)	500			500			
Surrey Street Market	92		(92)	92			92			
Thornton Heath Public Realm	1,254	1,479	225							
TFL - LIP	2,462	5,481	3,019		2,462		2,462	2,000	2,000	6,462
Unsuitable Housing Fund	250	93	(157)	157			157			
Walking and cycling strategy	1,381	1,110	(271)	271	750		1,021	750		1,500
Waste and Recycling Investment	2,960	3,460	500							
Waste and Recyling - Don't Mess with Croydon	996	1,052	56		601		601	475		1,076
Place sub-total	137,889	107,788	(30,101)	34,398	77,790	1,828	114,016	69,507	76,997	224,294
Asset Acquisition Fund	84,400	78,507	(5,893)	5,893	45,000		50,893			45,000
Asset strategy - Cavendish House	100		(100)	100			100			
Asset strategy - Stubbs Mead	1,933	137	(1,796)	1,796			1,796			
Asset strategy - BWH	100		(100)	100			100			
Asset strategy - Family Justice Centre	1,550	1,733	183							
Asset strategy - Capita Davis House relocation	100		(100)	100			100			
Asset strategy - Heathfield House	160		(160)	160			160			
Corporate Property Programme	2,361	3,383	1,022		2,000		2,000	2,000	2,000	6,000
Crossfield (relocation of CES)	2,600	235	(2,365)	2,365		454	2,819			
Emergency Generator (Data Centre)	1,200		(1,200)	1,200			1,200			
Finance and HR system	4,375	3,931	(444)	444	412		856			412
ICT	8,390	8,785	395		5,500		5,500	1,500	1,500	8,500
People ICT	3,500	1,394	(2,106)	2,106	6,927		9,033	2,014	1,521	10,462
Uniform ICT upgrade					534		534	3,600		4,134
Resources sub-total	110,769	98,105	(12,664)	14,264	60,373	454	75,091	9,114	5,021	74,508
General Fund	412,140	325,522	(86,618)	92,589	183,474	2,282	278,345	95,818	87,497	366,789
Asset management ICT database	434		(434)	434			434			
Fire safety programme	5,000	4,239	(761)	761	10,000		10,761			10,000
Larger Homes	62		(62)	62	1,500		1,562			1,500
Major Repairs and Improvements Programme	30,918	25,804	(5,114)	5,114	26,771		31,885	26,771	26,771	80,313
Special Transfer Payments	686	15	(671)	671	180		851	180	180	540
HRA Total	37,100	30,058	(7,042)	7,042	38,451		45,493	26,951	26,951	92,353
Capital Programme Total	449,240	355,580	(93,660)	99,631	221,925	2,282	323,838	122,769	114,448	459,142

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Capital Programme 2019/20 to 2021/22   APPENDIX 2

Funding	Original 2019/20 budget	2018/19 slippage	Budget adjust.	Revised budget 2019/20	Budget 2020/21 £000's	Budget 2021/22 £000's
	£000s	£000s	£000s	£000s	£000s	£000s
Capital receipts	2,500	-		2,500		-
ESFA	10,000			10,000	3,500	
School Condition Funding (Education)	2,000			2,000	-	-
Basic Needs (Education)	6,833			6,833	-	-
EFA Invest to Save (Education)	969			969	969	-
TFL LIP and other funding	2,462			2,462	2,000	2,000
NHS	-				5,000	-
CIL	6,800			6,800	6,800	6,800
CIL local meaningful proportion	1,200			1,200	1,200	1,200
Disabled Facilities Grants	2,400	1,979		4,379	2,400	2,400
Borrowing	48,946	47,112	2,282	98,340	33,949	15,097
Borrowing - (RIF) - BXB and Affordable Homes	37,273	39,436		76,709	20,000	-
Borrowing - Asset Acquisition Fund	45,000			45,000		
Borrowing - Growth Zone	8,000	1,782		9,782	20,000	60,000
S106	1,800	2,280		4,080	-	-
Football foundation	7,291			7,291		
GENERAL FUND	**183,474**	**92,589**	**2,282**	**278,345**	**95,818**	**87,497**
Major Repairs Allowance	27,709	7,042	-	34,751	21,209	21,209
HRA - Revenue Contribution	3,718	-	-	3,718	3,718	3,718
HRA - Use Of Reserves	7,024	-	-	7,024	2,024	2,024
HRA FUNDING	**38,451**	**7,042**	**-**	**45,493**	**26,951**	**26,951**
TOTAL FUNDING	**221,925**	**99,631**	**2,282**	**323,838**	**122,769**	**114,448**

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REPORT TO:	Cabinet 8 July 2019
SUBJECT:	STAGE 2: RESPONSE TO RECOMMENDATIONS ARISING FROM: SCRUTINY & OVERVIEW COMMITTEE ON 30 APRIL 2019
LEAD OFFICERS:	Jacqueline Harris Baker, Executive Director of Resources and Monitoring Officer Stephen Rowan, Head of Democratic Services and Scrutiny
CABINET MEMBERS:	All
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT:	The constitutional requirement that Cabinet receives recommendations from scrutiny committees and to respond to the recommendations within two months of the receipt of the recommendations.

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

1.   RECOMMENDATIONS

Cabinet is recommended to approve the response and action plans attached to this report at Appendix A and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

2.   EXECUTIVE SUMMARY/DETAIL

2.1   This report asks the Cabinet to approve the full response reports arising from the Stage 1 reports presented to the Cabinet meeting held on 10 June 2019 including:

- Action plans for the implementation of agreed recommendations, or
- Reasons for rejecting the recommendations

and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

2.2   The Constitution requires that in accepting a recommendation, with or without amendment, from a Scrutiny and Overview Committee or Sub-Committee, the Cabinet shall agree an action plan for the implementation of the agreed recommendations and shall delegate responsibility to an identified officer to report back to the Scrutiny and Overview Committee or Sub-Committee, within a specified period, on progress in implementing the action plan.

3.   **SCRUTINY RECOMMENDATIONS**

3.1   The Scrutiny recommendations are contained in the schedule in the appendix to this report.

3.2   The detailed responses including reasons for rejected recommendations and action plans for the implementation of agreed recommendations are contained in the appendices.

4.   **FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

4.1   The recommendations in this report may have a financial implication and as each recommendation is developed the financial implication will be explored and approved.

4.2   Approved by: Lisa Taylor, Director of Finance, Investment and Risk

5.   **LEGAL CONSIDERATIONS**

5.1   The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that the Constitution requires that Cabinet both receives recommendations from Scrutiny Committees and responds to the recommendations within two months of their receipt.

5.2   Approved by: Sandra Herbert Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer.

6.   **REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

6.1   These are contained in the appendix to this report.

7.   **OPTIONS CONSIDERED AND REJECTED**

7.1   These are contained in the appendix to this report.

CONTACT OFFICER: Stephen Rowan, Head of Democratic Services
                                             and Scrutiny
                                             T: 020 8726 6000 X 62529
                                             Email: stephen.rowan@croydon.gov.uk

BACKGROUND DOCUMENTS:

Background document 1: Reports to the Scrutiny & Overview Committee on 30 April 2019.

https://democracy.croydon.gov.uk/ieListDocuments.aspx?CId=166&MId=1523&Ver=

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
Report: Question Time: Cabinet Member for Economy & Jobs (Considered by the Scrutiny & Overview Committee on 30 April 2019)							
1. That the Cabinet Member for Economy and Jobs be invited to a meeting of the Committee in 2019/20 to discuss the strategic approach to job creation and the promotion of the economy in the borough.	The Committee was concerned about the lack of growth in employment within the borough and remained unconvinced that there was a wider strategy in place to address the promotion of the economy in Croydon. The Committee agreed to add to its work programme for 2019/20 an item to focus specifically on the higher level, strategic themes relating to the creation of employment opportunities and the promotion of the economy in Croydon.	Councillor Manju Shahul-Hameed Place	Accept	Emma Lindsell	N/A	A report will be prepared in line with the Committee's work programme for 2019/20.	TBC
Report: Proposed Scope of the new Digital Strategy (Considered by the Scrutiny & Overview Committee on 30 April 2019)							
That the Digital Strategy should specifically reference how the Council's social media presence will be improved.	The Committee had concerns about the Council's current presence on social media and agreed that the Digital Strategy should directly address the need for Croydon Digital Service to work with the Communications team to improve the performance in this area.	Councillor Simon Hall Resources	Accept - The strategy contains a specific commitment to review and improve the council's social media presence in conjunction with the communications and contact centre teams.	Neil Williams	None expected at present, but if the discovery work identifies any, this will be addressed at the time through the usual processes.	Completed – the strategy has incorporated these points. Implementation of the actual deliverable will take place within the 5 year timespan of the strategy. Exact timing is subject to prioritisation on the roadmap against all other commitments competing for the same resources.	2020/21

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
Report: Proposed Scope of the new Digital Strategy (Considered by the Scrutiny & Overview Committee on 30 April 2019)							
2. To ensure that improvements are delivered the Strategy needs to develop a work plan that can be monitored by the public and by Councillors, that have measurable outcomes, where progress against targets can be assessed.	Although the Committee were reassured about the vision for the Digital Strategy, concern remained as to whether the wider culture of the organisation would hinder its delivery. As such it was concluded that it would be important to review the progress of embedding the Digital Strategy within the Council in twelve months.	Councillor Simon Hall Resources	Accept - Strategy will be accompanied by a public roadmap with measurable outcomes using the format of OKRs (Objectives and Key Results).	Neil Williams	N/A	The workplan (open roadmap) will be available from 8 July 2019 onwards.	2020/21
The concepts of transparency and open data need to be embedded within the new strategy, and the strategy needs to include how it will assess improvement of these concepts over time.	The Committee was keen to know how this strategy would incorporate the Council's commitments to openness and transparency, in particular its commitment to promotion of open data, and accessibility of information for both businesses and residents.	Councillor Simon Hall Resources	Accept - The strategy includes a whole section on data with numerous commitments on open data and transparency.	Neil Williams	N/A	Completed – the strategy has incorporated these points.	2020/21
4. That the progress made on the Digital Strategy be reviewed by the Committee in twelve months.	Although the Committee were reassured about the vision for the Digital Strategy, concern remained as to whether the wider culture of the organisation would hinder its delivery. As such it was concluded that it would be important to review the progress of embedding the Digital Strategy within the Council in twelve months.	Councillor Simon Hall Resources	Accept	Simon Trevaskis	N/A	That a report on the progress made on the Digital Strategy will be requested for a meeting of the Committee in 2020/21	2020/21

Croydon Council

REPORT TO:	**CABINET 8 July 2019**
SUBJECT:	**INVESTING IN OUR BOROUGH**
LEAD OFFICER:	**SARAH WARMAN, DIRECTOR OF COMMISSIONING & PROCUREMENT** **JACQUELINE HARRIS BAKER, EXECUTIVE DIRECTOR RESOURCES**
CABINET MEMBER:	**COUNCILLOR SIMON HALL** **CABINET MEMBER FOR FINANCE AND RESOURCES**
WARDS:	**ALL**
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities. 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.	
FINANCIAL SUMMARY: There are no direct costs arising from this report.	
KEY DECISION REFERENCE NO.: There are key decisions mentioned in this report, but approval of the Recommendations would not constitute a key decision.	

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

1.   RECOMMENDATIONS

1.1.   The Cabinet is requested to approve:

1.1.1. The procurement strategy for the establishment of Adult Care Social Services Dynamic Purchasing Systems (DPS) for the initial period of five years years with an option to extend for a further five years as set out at agenda item 7a;

1.1.2. The award of contracts for School Places for Pupils with SEN in accordance with the recommendations set out in the report at agenda item 7b;

1.1.3. The Cabinet recommends to the Leader of the Council that prior to the next meeting of Cabinet in September, in respect of any contracts and property acquisitions and disposals valued over £500k and that have not previously been notified or reported to Cabinet, the nominated Cabinet Member in

consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, be authorised to agree the award of such contracts. Note that any awards made under this delegation will be notified in the standard contracts report to the next meeting of Cabinet.

1.2.   The Cabinet is requested to note:

1.2.1. The contracts over £500,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader;

1.2.2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 12/05/2019 – 11/06/2019.

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:

- Delegated contract award decisions made by the Director of Commissioning and Procurement between 12/05/2019 – 11/06/2019;
- Contract awards and strategies to be agreed by the Cabinet at this meeting which are the subject of separate agenda items;
- 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 Resources and with the Leader in certain circumstances, before the next meeting of Cabinet;
- Delegated contract award decisions under delegated authority from the Leader by the Nominated Cabinet Members for Finance and Resources & for Children, Young People & Learning related to the new Addington Valley SEN School;
  [As at the date of this report there are none]
- Property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet;
  [As at the date of this report there are none]
- 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   Sections 4.1.1 and 4.2.1 of this report lists those contract awards and procurement strategies that are anticipated to be awarded or approved by the Cabinet.

3.2 Section 4.2.2 of this report lists those contract awards that are anticipated to be awarded by nominated Cabinet Member.

3.3 Section 4.3.1 of this report lists the delegated award decisions made by the Director of Commissioning and Procurement, between 12/05/2019 – 11/06/2019.

3.4 Section 4.4.1 of this report lists the delegated decisions made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet;

3.5 The Council's Procurement Strategy and Tender & 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 Proposed Strategy approvals

4.1.1 Procurement strategy for the purchase of goods, services and works with a possible contract value over £5 million decisions to be taken by Cabinet which are agenda item 7a.

Strategy	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Establishment of Adult Care Social Services Dynamic Purchasing Systems	£1,050,000,000 Croydon spend (Contract Length 5 + 5 years) (£1,500,000,000 maximum contract value)		Families, Health & Social Care / Cllr Avis

4.2 Proposed Contract Awards

4.2.1 Contract award for the purchase of goods, services and works with a possible contract value over £5 million decisions to be taken by Cabinet which are agenda item 7b.

ContractTitle	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
SEN Places at Beckmead & Enhanced Learning Provision at 16 Schools	£36,091,000 (Contract Length 5 years)		Children, Young People & Learning / Cllr Flemming

4.2.2 Revenue and Capital consequences of contract award decisions to be made between £500,000 to £5,000,000 by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Children's Social Care - Supervised Contact	£2,844,000 (Contract length 3 + 1 years)		Children, Young People & Learning / Cllr Flemming
Professional Services for the Parklife Project		£600,000	Culture, Leisure & Sport / Cllr Lewis
Asset Management IT System Contract Extension	£517,105 (Total contract value including additional 1 year extension)		Finance & Resources / Cllr Hall and Homes & Gateway Services / Cllr Butler
SEN Education Programme 19+ years provision	£1,914,000 (Contract length 3 years)		Children, Young People & Learning / Cllr Flemming

4.3 **Contract Awards**

4.3.1 Delegated award decisions made by the Director of Commissioning and Procurement.

Revenue and Capital consequences of delegated decisions made by the Director of Commissioning and Procurement for contract awards (Regs. 18, 27 a & b) between £100,000 & £500,000 and contract extension(s) previously approved as part of the original contract award recommendation (Reg. 27.d) and contract variations (Reg.29).

CONTRACT VARIATIONS & EXTENSIONS					
Contract Title	Value of Contract to Date	Value of Extension Term	Total Revenue value including extension term	Contract Capital Budget	Dept/Cabinet Member
Alternative Education Provision Framework	£1,179,000	£393,000 (12 months extension)	£1,572,000		Children, Young People & Learning / Cllr Flemming
Additional Key Stage 4 Places Framework Extensions	£1,890,000	£630,000 (12 months extension)	£2,520,000		Children, Young People & Learning / Cllr Flemming
Direct Award for Family Support and Development of the Local Offer Website	£55,000	£55,000 (12 months extension)	£110,000		Children, Young People & Learning / Cllr Flemming

4.4 **Delegated Decisions**

4.4.1 Delegated award decisions for contracts over £500,000 in value made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Microsoft Enterprise Software Agreement	£4,315,344 (Contract Length 3 years)		Finance & Resources / Cllr Hall

Approved by: Ian Geary, Head of Finance - Resources on behalf of Lisa Taylor, Director of Finance, Investment and Risk and Section 151 Officer.

5 LEGAL CONSIDERATIONS

5.1 The Director of Law and Governance 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 by: Sean Murphy, Director of Law and Governance and Deputy 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: Sue Moorman, 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). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a "protected characteristic" and those who do not and take action to eliminate the potential of discrimination in the provision of services.

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.

Approved by: Yvonne Okiyo, Equalities Manager

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:	Rakhee Dave-Shah
Post title:	Head of Commissioning and Procurement (Corporate)
Telephone no:	63186

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

- *Children's Social Care - Supervised Contact*
- *Professional Services for the Parklife Project*
- *Asset Management IT System Contract Extension.*
- *SEN Education Programme 19+ years provision*
- *Microsoft Enterprise Software Agreement*

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For General Release

REPORT TO:	**Cabinet: 8 July 2019**
SUBJECT:	**Adult and Young People Social Care Dynamic Purchasing Systems (DPS)** **Procurement Strategy**
LEAD OFFICER/S:	**Guy Van Dichele,** **Executive Director of Health, Well Being and Adults** **Julia Pitt** **Director of Gateway** **Sarah Warman** **Director of Commissioning and Procurement**
CABINET MEMBER/S:	**Councillor Jane Avis,** **Cabinet Member for Familes, Health, and Social Care** **Councillor Alison Butler,** **Cabinet Member for Homes and Gateway Services** **Councillor Simon Hall,** **Cabinet Member for Finance and Resources**
WARDS:	**All**

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:

This approach supports the following corporate priorities for the next 4 years as set out in the Corporate Plan 2018-2022:

Promoting Independence and Enablement: To help people live long, healthy and independent lives with access to effective health services and care services. and, to help families be resilient and able to maximise their life chances and independence

Partnership: Work in partnership with the NHS to provide **good quality health** services to Croydon's population.

Children and Young People: Ensure that children and young people in Croydon are safe, healthy and happy.

Locality Matters: Develop services that are place based and integrated within their local community and tailored to local needs.

FINANCIAL IMPACT:

The Council budgets sit within the Adults Social Care, Childrens and Gateway services.

The total value of establishing Dynamic Purchasing Systems (DPS1, DPS 2, DPS 3.) for Croydon Council (Adults Social Care Budget, Young People and Gateway Services Budgets) is currently up to £85,000,000 per annum.

Additionally, the Council's health partners have access to other public and private funds to commission and procure services from the DPS's. It is anticipated that they organisations will contribute financially to our management of the DPS's. This will significantly increase the total spend on potential contracts being procured from the three DPS's.

The proposal is to establish the three DPS's to a maximum total value of £150,000,000 pa to provide flexibility and allow significant headroom for the Council and partners to procure from the DPS's.

KEY DECISION REFERENCE NO: N/A

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

1.   RECOMMENDATIONS

Cabinet is requested:

1.1 To approve the overall procurement strategy detailed in this report for the establishment of three Dynamic Purchasing Systems (DPS 1, DPS 2, and DPS 3), for the commissioning and procurement of Croydon's Adult and Young People's Social Care services for Council residents at a total maximum annual value (to Croydon) of up to £105,000,000 for a initial period of five (5) years, with the ability to extend for up to a further five (5) years.

1.2 To note that access to the three Dynamic Purchasing Systems will be made available for the Council's health partners including the Croydon One Alliance, the Clinical Commissioning Group, and SLaM which has been estimated to increase the total maximum value of the DPS's to up to £1,500,000,000 over the full 10 year period.

1.3 To note that the Director of Commissioning and Procurement has approved to waive the standard evaluation criteria ratio under Regulation 21 to 60% Quality and 40% Cost in accordance with Regulation 18 of the Councils Tenders and Contracts Regulations, for the reasons set out in paragraph 3.9 of this report.

2. EXECUTIVE SUMMARY

2.1 The Council adopted a new Corporate Plan in October 2018. This plan sets out the Council's promises to residents, business and partners over the next four years. In order to deliver the Corporate Plan, the Council is seeking to radically change the way services are delivered, with a strong focus on prevention, enablement and locality based working. This approach will be outcome focused and evidence-led, recognising that services need to differentiate to respond to the differing needs across the borough.

2.2 The Council currently spends in excess of £85m every year in financal support to the Adult Social Care and Supported Living Services. This funding includes Day Care, Domiciliary Care, Nursing Care Homes, Residential Care Homes, Respite Care, Supported Living and Supported Housing.

2.3 The Council has confirmed its commitment to continuing this funding and increasing the investment over the next four years from April 2020.

2.4 The Council proposes to establish a number of Dynamic Purchasing Sytems (three at this stage) to enable a quick route to the market for the commissioning and procurement of the health and social care services for Croydon residents as described in the report.

2.5 It is proposed that the Council allows access to these DPS's to our health partners in Croydon including the Croydon One Alliance, the CCG, and SLaM.

2.6 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
25/06/2019	CCB1498/19-20

3. DETAIL

3.1 The Adults, Health and Integration team along with the One Croydon Alliance, with support from the ASC board have started the process to create a number of Dynamic Purchasing Systems as an approved method for the Single Health and Social Care Micro-commissioning and Call-off for a range of health and social care services. This will be supported by the eMarket place system, (purchased separately not using the Council's ETendering Portal). This will create a single micro commissioning and call off process and end to end service that is centred around a DPS and able to process all of health, social care for Adults and Young People services and part of Gateway's commissioning needs as well as being able to handle bespoke procurement call offs.

3.2   The proposed Dynamic Purchasing Systems will replace the Integrated Framework Agreement (IFA) that commenced in 2014/15 and will expire at the end of March 2020. As a Framework Agreement, the IFA had a maximum life of 4 years (although this has been extended to 5 years). Many of the current services procured through the IFA will be in future be procured from a DPS. However, the IFA was not particularly effective for residential and nursing homes where services were commissioned outside of the framework through spot purchases. The DPS approach offers a solution to these issues.

3.3   Each DPS will be used to procure between £1,000,000,000 to £1,500,000,000 worth of Adults and Young People care services over the next 10 years. These services will include Domiciliary Care, Residential Care, Nursing Care, Day Care Services, Independent Living, Supported Housing, Floating Support, etc. [Details are set out in paragraph 3.8].

3.4   The initial term of the DPS's is for five (5) years (April 2020 – March 2025), with the option to extend up to a further five (5) years (on an annual basis up to a maximum of ten (10) years), based on need and value for money achieved through the DPS model. In accordance with the Public Contracts Regulations 2015 ("PCR 2015"), there is no time limit on the duration of a DPS. The DPS model allows for flexibility in respect of both supplier and price refresh and this timescale has been accepted as appropriate for the needs of the relevant procurement teams.

3.5   These services requirements come under the Light Touch regime of the Public Contract Regulations 2015 and we are proposing to follow the restricted procedure of a two stage process . The OJEU advert is proposed to be published to the market by the end of July 2019.

3.6   **Safeguarding**

        The Corporate Plan promotes an emphasis and focus on safeguarding the most vulnerable Croydon residents.

        Safeguarding will be a key issue in the provision of these services. The service users are some of the most vulnerable residents living in the borough. All providers will be required to satisfy the Council that their staff are DBS checked. This will be tested at SSQ stage and where applicable at the tender stage as well.

        Where a serious safeguarding issue or concern is raised, the provider may be suspended from the relevant DPS. Where there is a serious breach, the contract may be terminated. The Council's new Terms and Conditions of Contracts are currently being amended and will cover this.

3.7   As a LLW borough, all applicable contracts will include the requirement to pay the London Living Wage. Living Wage will apply to contracts in other parts of the country.

3.8   The following DPS structure is proposed:

Table 1

DPS Ref.	Title	Lots
DPS 1:	Domiciliary Care and Active Lives	Lot 1: Domiciliary Care Lot 2: Active Lives and Day Care Lot 3: Outreach Services
DPS 2:	Residential Homes	Lot 1: Residential Care Homes Lot 2: Nursing Homes Lot 3: Private Hospitals Lot 4: Respite Care
DPS 3:	Independent Living and Supported Housing	Lot 1: Supported Living Lot 2: Supported People Housing Lot 3: Young People Support Services Lot 4: Floating Support

3.9   **Award Criteria:** The majority of service users receiving services via the DPS are the most vulnerable people in the community, including the elderly and frail; children and young people at risk; people with physical and learning disabilities, people with mental health and challenging behaviour; the homeless and people with special needs. The safeguarding issues and their health and safety is of paramount importance. To provide assurance to service users, their families and carers about the quality of the services purchased through the DPS, we have sought a waiver under Regulation 18 of the Tenders and Contracts Regulations from the Director of Commissioning & Procurement, in accordance with Regulation 21 and Regulation 17 of the Tenders and Contracts Regulations to change the evaluation criteria to **60% quality** and **40% price**. A weighting that indicated that quality was rated less than price would result in a lack of confidence in commissioining and procuring the services.

3.10   Each DPS involves a 2 Stage process;

       Stage 1: Applicants who wish to join the DPS will need to complete a standard Selection Questionnaire (SQ) which will cover the selection and exclusion criteria. An SQ will be developed for each DPS and this will be relevant and proportionate to the services required under each DPS and Lot.

       The SQ will test the provider's suitablility to become part of the relevant DPS, by responding to the questions in the Technical and Professional section where suppliers provide evidence of their experience knowledge, skills, expertise and qualification to provide the relevant services and work with the various cohorts of service users.

The technical and professional ability will be bespoke to each DPS and each Lot. Applicants will need to provide references of similar contracts for services provided to other local authourities or health organisations. Additionally, questions will include include information about accreditation such as CQC registrations, Safeguarding, Social Value, etc..

Providers who pass the selection and exclusion criteria will be admitted to the DPS for the relevant Lots for the Council to commission services from as part of Stage 2.

Each DPS will remain open for the term of the DPS. Suppliers will be able to join at any time by submitting a completed SQ.

Stage 2: Invitation to Tender (ITT): This stage is the 'micro commissioning call off' or mini competition stage according to the specific requirements of the service.

3.11 **Micro Commissioning and Mini Competition Call Off Process**:

When the Council needs to commission and procure a service, an invite will be sent to all admitted/approved providers on the relevant DPS and Lot. This will include details of the mini-competition process. The award criteria to be used for the award of individual contracts will be set out in the original contract notice. These criteria will be formulated more precisely for each specific contract and will be set out in the invitation to tender for the specific contract.

All providers will be requested to complete a detailed method statement (see the example shown in paragraph 3.13 below) and pricing schedule against the new detailed specification for the specific services required.

Providers will be invited to submit their tender on the tender portal by the closing date indicated at least 10 days from the date on which the invitation to tender is sent. All tenders received will be opened and evaluated by the Tender Evaluation Team which will consist of the specific commissioners, contract and procurement officers and the Category Manager.

3.12 **Tender Evaluation Process**

The evaluation criteria will be Quality 60% and Price 40% for the reasons set out in paragraph 3.9.

The quality evaluation consists of the comparison of bidder responses against the SQ and the specific method statements issues at the mini competition stage.

3.13   **QUALITY**: Indicative method statements used::

Aspect of Quality	Weighting of
Management Structure	15%
Service Delivery Model (Staffing Levels)	18%
Contract and Performance management	15%
Training and Staff qualifications	10%
CQC and Safeguarding	10%
Provider Concerns	10%
Business Continuity and Disaster Recovery	5%
Living Wage (LLW where appropriate)	5%
Social Value	10%
PSP (if relevant and appropriate)	2%
Total	100%

3.14   Each supplier method statement will be scored by individual members of the tender evaluation panel, consisting of the relevant Commissioning Operations Manager, Clinical Lead and Procurement Team Leader from each service area. Each method statement will be evaluated in accordance with the published ITT criteria.

3.15   **INDICATIVE TIMETABLE:**

The proposal is to phase the implementation of the three Dynamic Purchasing Systems due to size of the overall project and to spread the amount of additional intensive work required in setting up a new procurement approach.

The following is an indicative timetable for carrying out the implementation of Dynamic Purchasing Systems:

Activity	Start Date (Phase 1) DPS 3	Start Date (Phase 2) DPS 1	Start Date (Phase 3) DPS 2
Market engagement and consultation	14/05/2019	17/06/2019	24/06/2019
CCB		13/06/2019	
Cabinet		**8/07/2019**	
Specification and Procurement Documents finalised	15/07/2019	15/10/19	15/01/20
Publish OJEU Notices	30/07/19	30/10/19	30/01/20
STAGE 1: SSQ's available	01/08/19	01/11/19	01/02/20
Initial Response deadline	30/08/19	30/11/19	30/02/20
Key Decision Notice		14/08/19	
CCB		15/08/19	
Cabinet Approval (RP3)		16/09/19	

DPS - Go Live Dates:	01/10/19	01/01/19	01/04/20
STAGE 2: Issue tenders – call off process begins	01/10/19	01/01/20	01/04/20

3.16 **Contract and Performance Management**

Service contracts commissioned through the DPS, will be contract managed in line with the the terms and conditions and the agreed Key Performance Indications within the contract. Performance mononitoring activities to ensure providers meet these requirements, will be undertaken in line with Commissioning and Procurement's Contract Management Framework.The table below sets out an overview of the contract management activities, to be undertaken proportionate to the value of each contract.

Feedback from performance monitoring will be used to inform Tier 1 reporting across the organisation. Information received will also inform market oversight and feed into future contracting and commissioning activies.

A robust and proportionate approach to monitoring will be applied.

3.17 **DPS Management**

In addition to the contract management of the service contracts, the DPS's will need to be managed constantly as it will be open to new applications throughout the life of the DPS. This will include managing the evaluation SQ's submitted by new suppliers, carrying out reqular quality checks on admiited suppliers to ensure that their registrations and accreditations are kept up to date (i.e. CQC registrations, H&S, etc.), publishing contract award notices quarterly and other checks for financial crdability, safeguarding issues, etc. This may include the exemption of admitted suppliers where breaches in certification or poor performance are evidenced.

Qualification Checks

- Annual checks and surveys will also be carried out on the criteria used in the original SQ, especially concerning any safeguarding issues or concerns.
- Annual Financial Checks will be sought to check the credit risk of the supplier organisations.

4.   **CONSULTATION**

4.1   **Suppliers:** Several Supplier Engagement Events have taken place on the Dynamic Purchasing System and individual events for each DPS have recently taken place. These events have been very well attended and existing and new suppliers are proposing to sign up to the new DPS process.

DPS 1 – over 100 suppliers attended.

DPS 2 – over 90 suppliers attended
DPS 3 – over 160 suppliers attended

4.2 **VCSE:** The procurement opportunity will be open yo VCSE groups to work as a direct suppliers and with main suppliers as a partner or sub- contractor.

4.3 **Partners:** Prospective partners from across Croydon Council and One Croydon Alliance have been involved and consulted. The partners will have open access to the new DPS's and will be able to commission services. The partners include the Croydon One Alliance, the CCG, and SLaM.

4.4 **Stakeholders:** Service Users have been consulted over the last 12 months by commissioning and brokerage teams.

5.   FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1   Revenue and Capital consequences of report recommendations

The total budget for DPS 1 – 3 will be from the Adults Social Care Services, Childrens services and Gateway Services within the Council.

Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
Revenue Budget available				
Expenditure Income	73,342	73,342	73,342	73,342
Effect of decision from report				
Expenditure Income	84,571	84,571	84,571	84,571
Remaining budget	-11,229	-11,229	-11,229	-11,229

5.1.1 There are high levels of overspend in this area which will need to be addressed through the medium term financial strategy. However it is well recognised that Adult social care is under extreme pressure and it is hoped that some of the issues will be addressed in the forthcoming Green Paper.

5.2   The effect of the decision

5.2. 1 DPS 1 - 3

Council impact

The total current Council expenditure in 2018/19 on services that will be incorporated into DPS 1-3 totals **£85,000,000** per annum. The following table gives an indication of current spend against the proposed DPS Lots.

Actual Adults Social Care Spend against by DPS Lots in 2018/19:

DPS and Lots:	Committed Council Expenditure 2018/19 £,000	Partners Total Expenditure 2018/19 £,000
DPS 1		
Lot 1: Domiciliary Care	20,648	
Lot 2: Active Lifes and Day Care	1,957	
Lot 3: Outreach Services	tbc	
DPS 2		
Lot 1: Residential Care	34,898	
Lot 2: Nursing Care	12,973	(CGC)
Lot 3: Private Hospitals	tbc	(CCG)
Lot 4: Respite Care	201	(CGC)
DPS 3		
Lot 1: Supported Living	10,354	
Lot 2: Supported Housing	3,900	
Lot 3: Young People	tbc	
Lot 4: Floating Support	160	
TOTAL	**84,731**	**(CGC)**

5.2.2 Spend through a DPS
This paper is seeking permission to establish DPS 1; DPS 2 and DPS 3 specifically for Croydon Council, as the main purchasing authourity.

However, the Council wishes to grant permission for our health partners to access the DPS's including the the Croydin One Alliance, the CGC, and SLaM. This will be financed separately. Participating organisations will need to sign an Access Agreement to use the DPS's.

Spend through a DPS is not committed spend, as the committment only applies to the quantities required for each call off or mini competition. This means that if the budget were to increase or decrease in the future, the required volumes could easily change year on year to reflect this.
The focus will be on prevention and re-ablement to help service users live more independently thereby reducing the dependency on more expensive and traditional methods of providing care.
As a LLW borough, all applicable contracts will include the requirement to pay the London Living Wage. Living Wage will apply to contracts in other parts of the country.

5.3 Options

5.3.1 Options were considered as part of the RP1 Make or Buy report agreed by CCB in 2018. Using the DPS enables more frequent refreshing of the bidder base and prices, to better match the dynamics in the supplier market and gain the continual value improvements.

5.4 Future savings/efficiencies

5.4.1 The majority of savings will be achieved by providing competition for supply of personal care services.

5.5 Risk Management

5.5.1 There is a risk that all partners of the integrated procurement hub do not purchase services via the DPS. This will be mitigated by engaging with the partner local authorities to gain their buy-in to the specifications and awarding methodology.

5.5.2 The population in Croydon is projected to increase from 380,000 to 445,000 by 2031. Additionally vulnerable residents' needs will become more complex. This will place an additional financial burden on the Council. The DPS will provide a flexible solution to the commissioning and procurement of services that can be managed to contain expenditure within approved budgets.

5.5.3 Immediate Staff Resources (first 6 months): There will be a heavy demand on Council staff during the establishment of the three DPS's, especialy in the following areas:
SQ - Evaluation Teams/Panels.
Finance - company credit checks
ITT - Tender Evaluation Teams
Brokerage Team
Procurement Staff – Portal Management
DPS Support to our health partners
This work will need to be prioritised and carried out by existing staff.

5.5.4 Longer Term Staff Implications for managing any new applications to join the DPS's; and the continual brokerage and contract management functions.
These resources will need to be met by the newly restructured Adults, Health and Integration team in Commissioning and Procurement. Vacancies will need to be filled asap.

5.5.5 Supporting partners with the DPS's will require additional resources which will need to be funded by the participating partners.

Approved by: Mirela Peters, Head of Finance, on behalf of the Director of Finance, Investment & Risk.

6. LEGAL CONSIDERATIONS

6.1 The Director of Law and Governance comments that the legal considerations are as set out in this report..

Approved by: Sean Murphy, Director of Law and Governance

7. HUMAN RESOURCES IMPACT

7.1 There are no direct Human Resources implications arising from this report for Croydon Council employees. Nonetheless, this procurement strategy could result in service provision changes, as services are called off from the DPS's and new contracts are award, which may invoke the effects of TUPE (Transfer of Undertakings (Protection of Employment) 2006 Legislation, amended 2014). The application of TUPE will be determined by the incumbent and the new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process.

Paying LLW rates where applicable will be a contractual requirement of the DPS approach. Living Wage will apply to contracts in other parts of the country.

Approved by: Debbie Calliste, Head of HR for Health, Wellbeing and Adults, on behalf of the Director of HR

8. EQUALITIES IMPACT

8.1 An Equalities Analysis has been completed by the e-market place implementation team to ascertain any potential impact on protected groups in relation to the creation of DPS to supply services. This was approved by CCB in 2018.

8.2 The services positively promotes equalities across all groups with protected characteristics. The provision of personal care services promotes independence, improves quality of life.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

9.1 There are no adverse environmental impacts to the report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no adverse implications for crime and disorder arising from this report.

10.2 There are however, positive implications by supporting homeless people and people with mental health problems, drug and alcohol abuse, etc.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 Approve the procurement strategy detailed in this report for the establishment of a DPS at a maximum estimated value up to £1,500,000,000 for the Council for a period of five (5) years, plus up to a further five (5) year extension period (maximum term of ten (10) years).

11.2 The DPS offers an end to end process for commissioning and award of a range of services for adults and young people. Further details are included in the RP1 report.

12. OPTIONS CONSIDERED AND REJECTED

12.1 An Options Appraisal was considered as part of the RP1 (Make or Buy) report, which has been agreed by CCB.

12.2 The establishment of DPS 1 - 3 ensures that the Council and other authorities within the Integrated Procurement Hub are getting the best possible value for money in relation to the purchase of personal care services.. Procuring outside of the DPS would not enable the Council and the Integrated Procurement Hub to achieve the savings detailed within this paper.

12.3 The establishment of a Framework similar to the previous IFA. A framework is considered in this case to be too restrictive as the maximum term is limited to 4 years maximum. New suppliers cannot be added to the framework of approved suppliers unless the framework is refreshed.

12.4 Without a DPS or Framework, the Council would have to advertise and tender all services every time a new service is required. The process is very in-efficient and time consuming, requiring extra staff.

12.5 Spot Purchasing services as and when required – this approach is considered to be non-compliant with the Council's financial regulations and EU Procurement legislation.

CONTACT OFFICER:

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BACKGROUND PAPERS: None

For General Release

REPORT TO:	Cabinet 8 July 2019
SUBJECT:	Commissioning of School Places for Pupils with SEND – The Beckmead Trust & Enhanced Learning Provisions within mainstream schools
LEAD OFFICER:	Robert Henderson, Executive Director of Children, Families & Education Shelley Davies, Interim Director of Education
CABINET MEMBER:	Cllr Alisa Flemming, Lead member for Children, Young People & Learning In consultation with Cllr Simon Hall, Lead Member for Finance & Resources
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

The Council's Corporate Plan 2018-2022 includes the following priority outcome:

Our children and young people thrive and reach their full potential

The Direct Contract Awards to The Beckmead Trust and Enhanced Learning Provisions (ELPs) within mainstream schools, for the provision of school places for pupils with SEND, directly link to the realisation of this priority.

FINANCIAL IMPACT

The Beckmead Trust

The Direct Award with the Beckmead trust is for a period from 1st September 2019 to the 31st August 2024 (inclusive of the full possible extension period), with a total contract value of £25,756,000 for up to 272 commissioned school places as listed in Table 1 below for the 19/20 academic year, and funded from the Dedicated School Grant (DSG) High Needs Block.

Enhanced Learning Provision (ELP)

The Direct Award with each individual ELP will also be for a period from 1st September 2019 to the 31st August 2024 (inclusive), with a total contract value of £10,335,000 for up to 304 school places as listed in Table 2 below, and funded from the Dedicated School Grant (DSG) High Needs Block.

FORWARD PLAN KEY DECISION REFERENCE NO.: 1419CAB

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:

RECOMMENDATIONS

1. To approve the award of contract for school places for pupils with SEND as recommended by the Contracts and Commissioning Board, to The Beckmead Trust for a contract term of five (5) years at a maximum contract value of £25,756,000.

2. To approve the award of contracts for school places for pupils with SEND as recommended by the Contracts and Commissioning Board, to the sixteen (16) Enhanced Learning Provisions (ELPs) listed in this report, for a contract term of five (5) years at a maximum contract value of £10,335,000.

3. To note that the Director of Commissioning and Procurement has approved a waiver in order to direct award the contracts in accordance with Regulation 18a of the Council's Tenders and Contracts Regulations.

2. EXECUTIVE SUMMARY

2.1. The purpose of this report is to advise of the intention to make a Direct Contract Award to The Beckmead Trust, and to each of the 15 Enhanced Learning Provision (ELP) operating as Special Needs Units within mainstream schools in the London Borough of Croydon for pupils with SEN.

2.2. The Beckmead family of special schools converted to an Academy, 'The Beckmead Trust', with effect from the 1st April 2019. ELP provision in mainstream schools in the borough of Croydon has developed over the past 7-10 years, and again over this period all schools delivering ELP have also become Academies.

2.3. The growth of contracted provision at The Beckmead Trust and ELPs as outlined in the report recommendations is in line with the Council's SEN Strategy, in order to provide high quality specialist school places for children with SEN locally.

2.4. It is considered that there is a clear and robust rationale for the Direct Award of these contracts, as explained within the main detail of this report.

2.5. The approval of a direct award to these schools

- supports continuity of education provision for the SEND pupils,
- provides value for money through the reduction in spend on out-of-borough specialist provision, thereby contributing to the DSG Recovery Plan
- delivers education provision locally for Croydon pupils in line with the SEND strategy

CCB Approval Date	CCB ref. number
13th June 2019	

3. DETAIL

3.1. The Council has a statutory duty to provide suitable education, which is an efficient use of public resource, for those children with Education, Health & Care Plans (EHCPs).

3.2. The Council's new SEND strategy details the Council's aim to place local children in local education provision, in those schools that are judged as good or outstanding by Ofsted. This will be delivered by ensuring that local specialist school provision is utilised for the most complex pupils, partnered with an improvement in the consistency and breadth of inclusive mainstream provision. The direct contract awards to both The Beckmead trust and ELPs supports the delivery of these objectives.

3.3. The Department for Education's (DfE) definition of an ELP is a Special Needs Unit. Attending an ELP means that a pupil with SEND is able to attend a mainstream school locally, whilst also being able to access a specialised learning environment, to meet their specific SEND needs.

3.4. There are 11 Primary ELPs and 5 Secondary ELPs in the borough of Croydon. Each ELP has a specific SEND designation across the following areas:

- DLD: Developmental Language Disorder
- MLD: Moderate Learning Difficulties
- ASD: Autistic Spectrum Disorder
- PD/Medical: Physical Disability / Medical
- HI : Hearing Impairment

3.5. Since the creation of the ELPs over the past 7-10 years following the submission of an expression of interest by schools in delivering the provision, the Council has worked in partnership with the schools to develop the local provision, and all schools with ELPs have now converted to Academy status.

3.6. The Beckmead Trust which also converted to an Academy in April 2019, are currently considered the only suitable special school provision in Croydon with the necessary technical expertise, capacity, highly specialised premises and a quality rating of outstanding by OFSTED

3.7. Given the recent change in school status, the Council has obtained legal advice with regards the Council's commissioning relationships with Academy schools. As they are now separate legal entities, and as such procurement regulations apply, it is necessary to formalise contractual agreements with each of the schools.

3.8. Regulation 32 (PCRs) allows Contracting Authorities to apply a negotiated procedure to a Direct Contract Award without prior publication in specific circumstances. Regulation 32 (2) (b) (ii) provides that an Authority may use the procedure where competition is absent for technical reasons. The following paragraphs detail the case for a direct award at this point in time.

3.9. Both the Council and schools have made capital investments into the ELP provision in order to make the premises viable. There has also been significant personnel resource invested by all parties in terms of staff time and capacity, to assist schools to develop their ELP provision and build up their expertise.

3.10. Pupils will have provision at current ELPs written into their Education, Health & Care Plans (EHCPs), which constitutes a legal document. Pupils would need to remain at their designated ELP for the duration of their primary or secondary education, as appropriate. It would therefore not be appropriate to move these children to another school, or would open the Council to legal challenge.

3.11. For both The Beckmead Trust provision and the existing ELPs in mainstream Academy schools, the Council considers that the other school providers in the local area do not have the requisite specialist skills or environment, or an ability to increase their capacity in the required timeframe. This will need to be kept under review.

3.12. This does represent a shift in practice for the Council and will result in a change in commissioning relationships with these Academy Schools. This should be seen as a positive change as it will ensure that robust, fair, open, transparent agreements, with adequate protection for both parties, are now formalised between the Council and Academies.

3.13. The contractual agreement between the Academies and the Council covers the Council's standard requirements for a contract, as defined in the Council's Tenders & Contracts Regulations.

4. CONSULTATION

4.1 Consultation with stakeholders has been conducted as a key part of the Academy Conversion process.

4.2 In-depth consultation with stakeholders has also been undertaken as part of the development of the Council's new strategy for SEND 2019 – 2022. Further consultation is planned in 2019/20 on the five (5) key strands of the implementation plan for the strategy.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1. Revenue and Capital considerations

5.1.1. The DSG High Needs Recovery Plan identifies 3 key areas which will specifically impact on reducing spend:
- Development of local capacity to meet a broader range of needs and reduce reliance on higher cost placements in the independent / non-maintained sector.
- Strengthening capacity for greater inclusion of SEND pupils in local mainstream schools. Croydon is the 2nd highest London Borough for the percentage of pupils in special school provision.
- Improved pathways for post 16 young people with SEND. Currently 40% of the High Needs Block spend is on young people aged 17-25 with an EHC plan.

5.1.2. Critical to the financial delivery of the Recovery Plan is the commissioning of additional places at The Beckmead Trust and within the local ELPs to reduce spend in costly Out of Borough Special Schools. Local ELPs will now also be required to take pupils with a higher level of support needs to reduce the reliance on placements in the independent sector.

The Beckmead Trust

5.1.3. Funding for the contract with The Beckmead Trust is made up a combination of:

a) **Core place funding of £10k per pupil place**. As Beckmead is now an academy it will receive the place funding for Elements 1 & 2, directly from the Education & Skills Funding Agency (ESFA).

b) **A 'Top-up' element from the High Needs Block**. There are a range of different Top-Up rates depending on the assessment of needs. The LA will provide the top up funding from the High Needs DSG allocation as indicated in the Table 1 below for the lifetime of the contract.

5.1.4. The total value of a five (5) year contract with The Beckmead Trust, will be £25.756m, based on the 2019/20 level of commissioned places.

Expenditure due to decision:

2019/20   £3.005m (7 months of 2019/20 financial year)
2020/21   £5.151m
2021/22   £5.151m
2022/23   £5.151m
2023/24   £5.151m
2024/25   £2.147m (5 month of 2024/25 financial year)

Total   £25.756m   funded from High Needs DSG.

Table 1: The Beckmead Trust – Place Funding Modelling

The Beckmead Trust - Family of Schools	Places	Place Funding per pupil per annum (EFSA)	Top Up Funding per pupil per annum (LA)	Total cost per annum (EFSA)	Total cost per annum (LA)	Total cost x 5 years (LA)
Beckmead Monks Orchard KS 2 & 3 SEMH	58	£10,000	£19,061	£580,000	£1,105,551	£5,527,754
Chaffinch Brook Lower (Ks 1 & 2) & Upper (KS 3 & 4) ASD (complex)	84	£10,000	£18,744	£840,000	£1,574,518	£7,872,589
Bramley Bank (SEMH) Long stay/EHCP	24	£10,000	£18,903	£240,000	£453,672	£2,268,360
The Beck - (KS1 & 2) SEMH (AP)	12	£10,000	£18,903	£120,000	£226,836	£1,134,180
Rainbow KS1 - AP and EHCP	6	£10,000	£18,903	£60,000	£113,418	£567,090
Beckmead College KS4 & 5	70	£10,000	£19,061	£700,000	£1,334,285	£6,671,427
Tharreo House SEMH KS3, 4 & 5	18	£10,000	£19,061	£180,000	£343,102	£1,715,510
Total	**272**			**£2,720,000**	**£5,151,382**	**£25,756,910**

5.1.5. The Beckmead Trust will work in partnership with the Local Authority to fill places. Top up payments will only be paid on the basis of the number of children on roll.

5.1.6 There may, infrequently and by exception, be a child for whom funding is agreed at a rate that is variant from the above, either through a small transition funding arrangement or through one child being allocated funding for two places by a bespoke arrangement.

Enhanced Learning Provisions (ELPs)

5.1.7 ELP place funding is calculated through a combination of

a) **Core place funding of up to £10k per pupil place (Elements 1&2).** All academies receive the place funding directly from the Education & Skills Funding Agency (ESFA).

b) **The 'Top-up' element from the High Needs Block (Element 3).** The LA contract is to provide the top up funding from the High Needs DSG allocation and reviewed annually.

Expenditure due to decision:

2019/20	£1.206m (7 months of 2019/20 financial year)
2020/21	£2.067m
2021/22	£2.067m
2022/23	£2.067m
2023/24	£2.067m
2024/25	£861k (5 month of 2024/25)
Total	**£10.335million** funded from High Needs DSG

Table 2: Primary & Secondary School ELP places- as of June 2019

	Primary Schools	Academy	Specialism	No. of places	Top Up Funding per pupil per annum (LA)	Total cost (LA) per annum	Total Top Up x 5 years (LA)
1	Aerodrome Primary	Reach	DLD	19	£6,000	£114,000	£570,000
2	Applegarth Academy	STEP	DLD	18	£6,000	£108,000	£540,000
3	Castle Hill Academy	Platanos	ASD	40	£6,000	£240,000	£1,200,000
4	Chipstead Valley Primary	PACE	PD/medical	14	£6,000	£84,000	£420,000
5	Courtwood Primary	Collegiate Trust	ASD	14	£6,000	£84,000	£420,000
6	Fairchildes Academy Community Trust	Faichildes Academy Community Trust (FACT)	MLD	14	£6,000	£84,000	£420,000
7	Gilbert Scott Primary	Collegiate Trust	MLD	14	£6,000	£84,000	£420,000
8	Kensington Avenue Primary	Manor Trust	ASD	14	£6,000	£84,000	£420,000
9	Kingsley Primary Academy	Cirrus	HI	16	£000*	£000	£000
10	Oasis Academy Shirley Park Primary	Oasis	MLD	14	£6,000	£84,000	£420,000
11	South Norwood Primary	Pioneer Trust	MLD	14	£6,000	£84,000	£420,000
	Secondary Schools						
12	Orchard Park High	Greenshaw Trust	DLD	26	£9,000	£234,000	£1,170,000
13	Woodcote High	Academy	PD/medical	9	£9,000	£81,000	£405,000
14	Meridian High School	GLF	ASD	30	£9,000	£270,000	£1,350,000
15	Oasis Academy Coulsdon	Oasis	ASD	25	£9,000	£225,000	£1,125,000
16	Oasis Academy Arena	Oasis	ASD	23	£9,000	£207,000	£1,035,000
			Total	**304**		**£2,067,000**	**£10,335,000**

*Kingsley Academy is illustrated as a nil net cost, as the top-up element is recharged back to the council to cover the LA provision of support services to deliver the contract.

5.1.8.   There will be an individual agreement with each of the 16 Academy Schools with ELPs. Each agreement will be for a period of five (5) years.

5.1.9. The total value across these 16 individual agreements will be £10,335,000, which is based on the 2019/20 projected level of commissioned places. Place numbers may vary over the lifetime of the contract so will be reviewed on an annual basis.

5.1.10 Both allocations are made in the context of well documented High Needs Block funding pressures, experienced both nationally and locally. Both Direct Contract awards will therefore significantly contribute to the DSG Deficit Recovery Plan 2019-2024 as they will enable more children to be placed in education provision locally.

5.1.11 All schools will be required in the contract terms and conditions, to commit to paying staff engaged in the service delivery at or above the London Living Wage

5.2. Risk Assessment

5.2.8. Deployment of Croydon's DSG High Needs Block Funding is subject to Schools Forum approval and as such will need to be reported and agreed annually. There is a minimal risk that HNB funding could be reduced during the lifetime of the contract, which would result in a reduction of local capacity, and impact on the DSG recovery plan.

5.2.9. There is minimal risk of challenge from other local providers who currently do not have the capacity, expertise or track record to deliver the specialist ELP provision required. This will need to be kept under review.

5.2.10. The only route for another provider to provide challenge to the award to Beckmead would be to set up as a free special school in Croydon. This is considered low risk, as one of the key tests for DfE permission to establish a free school is whether the need is already met within the borough. The existing provision formalised through these contracts, provides the additional capacity to demonstrate that the needs of Croydon pupils are already met.

5.3 Future savings/efficiencies

5.3.1 Future savings/efficiencies in this area are linked to the realisation of the aims and objectives of the Council's new SEND strategy 2019-2022, and the DSG Deficit Recovery Plan 2019-2024.

5.3.2 Budgetary provision for this contract exists but deployment of Croydon's Dedicated Schools Grant, High Needs Block Funding is subject to Schools Forum approval and, as such may vary in the future.

Approved by: Kate Bingham, Head of Finance -Children, Families and Education

6. LEGAL CONSIDERATIONS

6.1 The Director of Law and Governance comments that the legal considerations are as set out in this report.

Approved by: Sean Murphy, Director of Law and Governance

7. HUMAN RESOURCES IMPACT

7.1. This report recommends a direct award to The Beckmead Trust and to the 15 Academy Trusts with ELPs. This means the service provisions would remain as they are currently and there would be no direct HR considerations arising from this report for Croydon Council.

7.2. However, if there are any changes in the future that result in a service provision, this may invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation (amended 2014). It is therefore important to seek HR advice at an early stage.

Approved by: Nadine Maloney on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

8.1. There is no proposed change to existing service provision and the commissioning of high quality school places for pupils with SEN, contributes to the Council meeting the public sector equality duty and advance equality of opportunity across all protected characteristics groups.

8.2. An Equality Analysis was undertaken as part of the Council's new strategy for SEND 2019-2024 to ascertain the impact of the proposed change on groups that share a protected characteristic. The SEND strategy sets out to improve the outcomes and life chances for children and young people with Special Educational Needs and Disabilities. The overall aim of the SEND strategy and the supporting criteria and policies is to improve and make enhancements to the service for all children and young adults with SEND in Croydon through effective identification, assessment, planning and review of children and young people's progress. The analysis identified the proposed changes as being low risk.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

9.1. N/A

10. CRIME AND DISORDER REDUCTION IMPACT

11.1 N/A

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 A Direct Award is considered justified for the following reasons:

The Beckmead Trust
- The Council has a statutory duty to provide suitable education, which is an efficient use of public resource, for those children with EHCPs. The Council's new SEND strategy also details the Council's aims to place local children in local provision, in schools that are judged as good or outstanding by Ofsted.
- The Beckmead Trust are the only local providers with the necessary technical expertise, capacity, highly specialised premises and quality rating (outstanding OFSTED rating).
- The Council has made significant capital investment in these schools to support the development of this specialist provision.

Enhanced Learning Provision
- The Council has a statutory duty to provide suitable education, which is an efficient use of public resource, for those children with EHCPs. The Council's new SEND strategy & DSG Deficit Recovery Plan also details the Council's aims to place local children in local provision. Placing pupils within these Enhanced Learning Provisions enables us to meet these statutory requirements.
- Both the Council and the schools have invested significant staff time to develop the capacity and expertise of the schools hosting ELPs.
- Both the Council and/or the schools themselves have invested in physically adapting the premises and improving their ELP offer.

12. OPTIONS CONSIDERED AND REJECTED

a) **Do Nothing:** Without these Direct Awards, the Council would not be meeting its statutory obligations in relation to ensuring appropriate education placements for all SEN pupils.

b) **Run a competitive procurement exercise:** The original development of ELP provision was offered as an option to all local schools. Children are placed at these Special School provisions for the duration of their education as defined within their EHCPs, and it would therefore not be appropriate to move these children to another school. This will be kept under review, should there be other appropriate competitors joining the local market in the future.

CONTACT OFFICER: Alison Farmer, Head of SEN.

BACKGROUND DOCUMENTS: None