

# Scrutiny & Overview Committee Agenda



To: Councillors: Sean Fitzsimons (Chair), Robert Ward (Vice-Chair), Leila Ben-Hassel (Deputy-Chair), Jade Appleton, Mike Bonello and Joy Prince

Reserve Members: Louis Carserides, Richard Chatterjee, Pat Clouder, Mary Croos, Clive Fraser and Oni Oviri

A meeting of the **Scrutiny & Overview Committee** which you are hereby summoned to attend, will be held on **Wednesday, 27 April 2022 at 6.30 pm. This meeting will be held remotely.**

Katherine Kerswell  
Chief Executive  
London Borough of Croydon  
Bernard Weatherill House  
8 Mint Walk, Croydon CR0 1EA

Simon Trevaskis  
simon.trevaskis@croydon.gov.uk  
www.croydon.gov.uk/meetings  
Tuesday, 19 April 2022

Members of the public are welcome to view the webcast both live and after the meeting has completed at <http://webcasting.croydon.gov.uk>

The agenda papers for all Council meetings are available on the Council website [www.croydon.gov.uk/meetings](http://www.croydon.gov.uk/meetings)

If you require any assistance, please contact Simon Trevaskis as detailed above.

## AGENDA – PART A

### 1. **Apologies for Absence**

To receive any apologies for absence from any members of the Committee.

### 2. **Minutes of the Previous Meeting**

To approve the minutes of the meeting held on 1 March 2022 as an accurate record.

(To follow)

### 3. **Disclosure of Interests**

Members and co-opted Members of the Council are reminded that, in accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, they are required to consider **in advance of each meeting** whether they have a disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. If advice is needed, Members should contact the Monitoring Officer **in good time before the meeting**.

If any Member or co-opted Member of the Council identifies a DPI or ORI which they have not already registered on the Council's register of interests or which requires updating, they should complete the disclosure form which can be obtained from Democratic Services at any time, copies of which will be available at the meeting for return to the Monitoring Officer.

Members and co-opted Members are required to disclose any DPIs and ORIs at the meeting: -

- Where the matter relates to a DPI they may not participate in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.
- Where the matter relates to an ORI they may not vote on the matter unless granted a dispensation.
- Where a Member or co-opted Member has an NRI which directly relates to their financial interest or wellbeing, or that of a relative or close associate, they must disclose the interest at the meeting, may not take part in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation. Where a matter affects the NRI of a Member or co-opted Member, section 9 of Appendix B of the Code of Conduct sets out the test which must be applied by the Member

to decide whether disclosure is required.

The Chair will invite Members to make their disclosure orally at the commencement of Agenda item 3, to be recorded in the minutes.

**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.

**5. Call-In: Property Disposals as part of the Interim Asset Disposal Strategy (Pages 5 - 62)**

The Scrutiny & Overview Committee is asked to consider and respond to the Call-In in accordance with the procedure set out in the Council's constitution.

**6. Annual Scrutiny Report (Pages 63 - 104)**

The Scrutiny and Overview Committee is asked to: -

1. Approve the draft version of the Annual Scrutiny Report.
2. Consider whether there is any other information that should be added to the final version to be presented to the Council in June 2022.
3. To note that any amendments made as a result of the comments of the Committee will be agreed by the three Scrutiny Chairs, to meet the timeline for delivery to the Council meeting.

**7. 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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# Agenda Item 5

<b>REPORT TO:</b>	Scrutiny & Overview Committee 27 April 2022
<b>SUBJECT:</b>	<b>CALL-IN: PROPERTY DISPOSAL AS PART OF THE INTERIM ASSET DISPOSAL STRATEGY</b>
<b>LEAD OFFICERS:</b>	Jane West – Corporate Director of Resources & Section 151 Officer
<b>CABINET MEMBER:</b>	<b>Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal</b>  <b>Cllr Callton Young Cabinet Member for Resources and Financial Governance</b>

<b>ORIGIN OF ITEM:</b>	This item has been triggered by the call-in of two key decisions (1322RFG & 1422RFG) taken by the Cabinet Member for Resources and Financial Governance in consultation with the Leader of the Council on 6 April 2022.
<b>BRIEF FOR THE COMMITTEE:</b>	The Scrutiny & Overview Committee is asked to consider and respond to the Call-In in accordance with the procedure set out in the Council's constitution (set out in section 3 below).

## 1. EXECUTIVE SUMMARY

- 1.1 The key decisions taken to dispose of two assets (Addington Community Centre & 90 Central Parade in New Addington) by the Cabinet Member for Resources & Financial Governance in consultation with the Leader of the Council on 16 April 2022 has been called-in by twenty members of the Council.
- 1.2 Attached to this report are:
  - **Appendix A** is the completed call-in form that was received by the Monitoring Officer
  - **Appendix B** is the Key Decision Notice for decision 1322RFG
  - **Appendix C** is the Key Decision Notice for decision 1422RFG

## 2. CALL-IN: PROPERTY DISPOSAL AS PART OF THE INTERIM ASSET DISPOSAL STRATEGY

- 2.1 The decisions taken by the Cabinet Member for Resources and Financial Governance, in consultation with the Leader of Council that are the subject of this call-in, can be found the key decision notices attached as Appendix B & C. The key decision notices include the reports on which these decisions were based.
- 2.2 The call-in pro-forma is attached at Appendix A. The decision form was received on 6 April 2022 from Councillor Andy Stranack, with the call-in supported by Councillors Jeet Bains, Sue Bennett, Margaret Bird, Simon Brew, Mario Creatura, Jason Cummings, Maria Gatland, Lynne Hale, Steve Hollands, Yvette Hopley, Stuart Millson, Ian Parker, Helen Pollard, Tim Pollard, Helen Redfern, Scott Roche and Robert Ward. This complies with the requirements for call-in as set out in paragraph 11.5 (i) in section 4E – Scrutiny & Overview Procedure Rules in the Council's Constitution.
- 2.3 The reason stated in the request as to why the Call-In has been submitted is:-

**'The report refers to a consultation exercise carried out in 18/19 referred to as the New Addington Master Plan. That consultation clearly defines the need for a multi-purpose well-being centre for the estate.**

**This report is misleading as it redefines the term 'Wellbeing Centre' as a pure medical facility and a replacement for the Parkway medical facility. This misrepresents the results of the 18/19 consultation.**

**Local Residents in New Addington are insistent that there are covenants on both the central parade and Parkway medical centre sites that prevent them from being sold for housing. This information has been omitted from the report.**

**The Equality Impact Assessment takes no account of the loss of the ACA or 90 Central Parade on the local community. For the last two years the ACA has acted as a home for the New Addington Boxing Club. In that time approximately 150 young people have used the club facilities. Due to data protection requirements the club cannot provide individual details but they have analysed their records and would estimate that 60% of the young people who attend the club have a learning, neurodivergent or physical need or disability. Representatives from New Addington Boxing Club would be happy for the opportunity to present their evidence to the scrutiny committee in person.'**

2.4 The outcomes desired from the Call-In is:-

**'A full consultation to be undertaken by the Council and CCG with residents on these new plans to replace the Old Addington Community Centre ('ACA) and 90 Central Parade with a new health facility.**

**A new permanent home to be identified for the boxing club before any sale of the ACA is agreed.'**

2.5 The following information has been requested to inform the Scrutiny & Overview Committee's consideration of the call-in request:-

- 1 A report from Officers summarising all the options for community facility replacement in New Addington that have been considered since the consultation exercise in 2018.
- 2 An assessment of the match between the current proposals and the needs identified in the 2018 consultation exercise.
- 3 An assessment of the suitability of a swimming pool/leisure centre for holding community parties and life events such as wedding receptions, anniversary celebrations and wakes?
- 4 An equality impact assessment to be carried out that identifies the impact of making the boxing club homeless.
- 5 A report from Officers on the covenants effecting the parkway and central parade sites, highlighting any barriers to selling off any of the land for housing.
- 6 Information on how Officers are supporting the work of the Re-New Addington group (representing over 130 local residents, community groups and businesses) who are currently undertaking an audit of Council owned facilities across New Addington.

### **3. CALL-IN PROCEDURE**

3.1 The Council's Constitution, Part 4E Scrutiny & Overview Procedure Rule, states:

*"11.08 The referral shall be considered at the next scheduled meeting of the Scrutiny*

*and Overview Committee unless, in the view of the Borough Solicitor, this would cause undue delay. In such cases the Borough Solicitor, will consult with the decision-taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny and Overview Committee may only consider a maximum of three referrals at any one meeting.*

- 11.09 *At the meeting, the referral will be considered by the Committee which shall determine how much time it will give to the call-in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the Cabinet for reconsideration, setting out in writing the nature of the concerns. The Cabinet shall then reconsider the decision, amending the decision or not, before making a final decision.*
- 11.10 *The Scrutiny and Overview Committee may refer the decision to the Council if it considers that the decision taken by the Leader or Cabinet is outside the Budget and Policy Framework of the Council. The Council may decide to take no further action in which case the decision may be implemented. If the Council objects to Cabinet's decision it can nullify the decision if it is outside the Policy Framework and/or inconsistent with the Budget.*
- 11.11 *If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.*
- 11.12 *If the Council determines that the decision was within the Policy Framework and consistent with the Budget, it will refer any decision to which it objects, together with its views on the decision, to the Cabinet. The Cabinet shall choose whether to either, amend, withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet after the referral from the Council.*
- 11.13 *The responses of the decision-taker and the Council shall be notified to all Members of the Scrutiny and Overview Committee once the Cabinet or Council has considered the matter and made a determination.*
- 11.14 *If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 11.08 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place."*

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**CONTACT OFFICER:**

Simon Trevaskis

(Senior Democratic Services and Governance  
Officer)

020 8726 6000 x 84384

Simon.Trevaskis@croydon.gov.uk

**APPENDIX A** is the completed call-in form that was received by the Monitoring Officer

**APPENDIX B** is the Key Decision Notice for decision 1322RFG

**APPENDIX C** is the Key Decision Notice for decision 1422RFG

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## PROFORMA

### REFERRAL OF A KEY DECISION TO THE SCRUTINY AND OVERVIEW COMMITTEE

For the attention of: Michelle Ossei-Gerning and Colin Sweeney, Democratic Services & Scrutiny e-mail to [Michelle.Gerning@croydon.gov.uk](mailto:Michelle.Gerning@croydon.gov.uk) and [Colin.Sweeney@croydon.gov.uk](mailto:Colin.Sweeney@croydon.gov.uk)

Meeting: Cabinet

Meeting Date: 21<sup>st</sup> March 2022

Agenda Item No: 13c (Key Decision 1322RFG – Addington Community Centre and 1422RFG – 90 Central Parade).

#### **Reasons for referral:**

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:
  - The report refers to a consultation exercise carried out in 18/19 referred to as the [New Addington Master Plan](#). That consultation clearly defines the need for a multi-purpose well-being centre for the estate.
  - This report is misleading as it redefines the term 'Wellbeing Centre' as a pure medical facility and a replacement for the Parkway medical facility. This misrepresents the results of the 18/19 consultation.
  - Local Residents in New Addington are insistent that there are covenants on both the central parade and Parkway medical centre sites that prevent them from being sold for housing. This information has been omitted from the report.
  - The Equality Impact Assessment takes no account of the loss of the ACA or 90 Central Parade on the local community. For the last two years the ACA has acted as a home for the New Addington Boxing Club. In that time approximately 150 young people have used the club facilities. Due to data protection requirements the club cannot provide individual details but they have analysed their records and would estimate that 60% of the young people who attend the club have a learning, neurodivergent or physical need or disability. Representatives from New Addington Boxing Club would be happy for the opportunity to present their evidence to the scrutiny committee in person.

#### **The outcome desired:**

- A full consultation to be undertaken by the Council and CCG with residents on these new plans to replace the Old Addington Community Centre ('ACA) and 90 Central Parade with a new health facility.
- A new permanent home to be identified for the boxing club before any sale of the ACA is agreed.

**Information required to assist the Scrutiny and Overview Committee to consider the referral:**

- A report from Officers summarising all the options for community facility replacement in New Addington that have been considered since the consultation exercise in 2018.
- An assessment of the match between the current proposals and the needs identified in the 2018 consultation exercise.
- An assessment of the suitability of a swimming pool/leisure centre for holding community parties and life events such as wedding receptions, anniversary celebrations and wakes?
- An equality impact assessment to be carried out that identifies the impact of making the boxing club homeless.
- A report from Officers on the covenants effecting the parkway and central parade sites, highlighting any barriers to selling off any of the land for housing.
- Information on how Officers are supporting the work of the Re-New Addington group (representing over 130 local residents, community groups and businesses) who are currently undertaking an audit of Council owned facilities across New Addington?

Signed:

Date:

Councillor Andy Stranack

Member for Selsdon Vale and Forestdale.

Shadow Cabinet Member for Communities, Safety & Business Recovery

## LONDON BOROUGH OF CROYDON

To: All Members of Council  
Croydon Council website  
Access Croydon & Town Hall Reception

### **PUBLIC NOTICE OF KEY DECISIONS MADE BY CABINET MEMBER FOR RESOURCES AND FINANCIAL GOVERNANCE ON 06 APRIL 2022**

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 14 April 2022** unless referred to the Scrutiny and Overview Committee (ie after 13.00 hours on the 6th working day following the day on which the decision was taken). The call-in procedure is appended to this notice.

The following apply to the decision below:

**Reasons for these decisions:** As set out in Part A of report

**Other options considered and rejected:** As set out in Part A of report

**Details of conflicts of interest declared by the decision maker:** None

**Note of dispensation granted by the Head of Paid Service in relation to a declared conflict of interest by that decision maker:** None

The Leader of the Council has delegated to the decision maker the power to make the Key Decisions noted out below:

**Decision Title: PROPERTY DISPOSALS AS PART OF THE INTERIM ASSET DISPOSAL STRATEGY: DISPOSAL OF ADDINGTON COMMUNITY CENTRE**

**Key Decision No: 1322RFG**

**Details of decision:**

Having carefully read and considered the Part A report, and associated confidential Part B report, and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Resources and Financial Governance in consultation with the Leader

**RESOLVED:** To

1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington

1.2 Approval to a downward price variation of up to a maximum of 10% and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet to allow for some minor changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer

On the basis of the terms set out in Part A and Part B of this report

**Signed:** Interim Monitoring Officer

**Notice Date:** 06 April 2022

**\*\*Please note - this Decision Notice supersedes the original notice published on 24 March 2022, due to technical issues\*\***

## Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 14 April 2022** (the 6th working day following the day on which the decision was taken) unless referred to the Scrutiny and Overview Committee.
2. The Council Solicitor shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
  - i) the Chair and Vice Chair of the Scrutiny and Overview Committee and 1 member of that Committee; or for education matters the Chair, Vice Chair and 1 member of that Committee; or
  - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Democratic Services by the deadline stated in this notice. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
  - i) The grounds for the referral
  - ii) The outcome desired
  - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
  - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision. The Chair of the Scrutiny & Overview Committee shall also be notified.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Council Solicitor, this would cause undue delay. In such cases the Council Solicitor will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to Cabinet for reconsideration, setting out in writing the nature of the concerns. The Cabinet shall then reconsider the decision, amending the decision or not, before making a final decision.
8. The Scrutiny and Overview Committee may refer the decision to the Council if it considers that the decision is outside of the budget and policy framework of the Council. In such circumstances, the provisions of Rule 7 of the Budget & Policy Framework Procedure Rules (Part 4C of the Constitution) apply. The Council

may decide to take no further action in which case the decision may be implemented. If the Council objects to Cabinet's decision it can nullify the decision if it is outside the Policy Framework and/or inconsistent with the Budget.

9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.
10. If the Council determines that the decision was within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision, to the Cabinet. The Cabinet shall choose whether to either amend, withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
11. The responses of the decision-taker and the Council shall be notified to all Members of the Scrutiny and Overview Committee once the Cabinet or Council has considered the matter and made a determination.
12. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
13. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process. The Chair of the Scrutiny and Overview Committee must agree that the decision proposed cannot be reasonably deferred and that it is urgent. In the absence of the Chair, the Deputy Chair's consent shall be required. In the absence of both the Chair and Deputy Chair, the Mayor's consent shall be required. Any such urgent decisions must be reported at least annually in a report to Council from the Leader including the reasons for urgency.

**Signed:** Interim Monitoring Officer

**Notice Date:** 06 April 2022

**Contact Officers:** [michelle.gerning@croydon.gov.uk](mailto:michelle.gerning@croydon.gov.uk) and [colin.sweeney@croydon.gov.uk](mailto:colin.sweeney@croydon.gov.uk)

**PROFORMA**

**REFERRAL OF A KEY DECISION TO THE  
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Michelle Ossei-Gerning and Colin Sweeney, Democratic Services  
& Scrutiny e-mail to

[Michelle.Gerning@croydon.gov.uk](mailto:Michelle.Gerning@croydon.gov.uk) and [Colin.Sweeney@croydon.gov.uk](mailto:Colin.Sweeney@croydon.gov.uk)

Meeting:

Meeting Date:

Agenda Item No:

**Reasons for referral:**

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

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**The outcome desired:**

**Information required to assist the Scrutiny and Overview Committee to consider  
the referral:**

Signed:

Date:

Member of \_\_\_\_\_ Committee

**For General Release**

<b>DELEGATED DECISION REPORT TO :</b>	<b>Cllr Callton Young, Cabinet Member for Resources and Financial Governance</b>
<b>SUBJECT:</b>	<b>Property Disposals as part of the Interim Asset Disposal Strategy</b>
<b>LEAD OFFICER:</b>	<b>Jane West, Corporate Director Resources and S151 Officer</b>
<b>CABINET MEMBER:</b>	<b>Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal Cllr Callton Young Cabinet Member for Resources and Financial Governance</b>
<b>WARDS:</b>	<b>New Addington South</b>
<p><b>COUNCIL PRIORITIES</b></p> <p>Croydon Renewal Plan – the recommendations in this report are in line with the new corporate priorities and new way for renewing Croydon</p> <p>Medium Term Financial Strategy</p>	
<p><b>FINANCIAL IMPACT</b></p> <p>This paper is seeking approval for the disposal of two Council assets in line with the Interim Asset Disposal Strategy. The proposal will deliver further capital receipts. The disposals are part of the wider disposal strategy and will significantly contribute towards the assets disposal target in the MTFs.</p> <p>All disposal costs, including a contribution towards officer time will be paid for out of capital receipts in line with the current financial guidelines which allow up to 4% of the capital receipt to be allocated against reasonable revenue costs in achieving the sales.</p>	
<p><b>FORWARD PLAN KEY DECISION REFERENCE NO.:</b> 1322RFG (<b>Community Centre</b>) and 1522RFG (<b>90 Central Parade</b>)The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.</p>	
<p>The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below</p> <p><b>1. RECOMMENDATIONS</b></p> <p>Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following:</p> <p>1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington</p>	



1.2 Approval to a downward price variation of up to a maximum of 10% and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet to allow for some minor changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer

On the basis of the terms set out in Part A and Part B of this report

## **2. EXECUTIVE SUMMARY**

- 2.1 This Interim Disposal Strategy has been developed to support the requirements of the Croydon Renewal Plan and Medium Term Financial Strategy [MTFS] and sets out the guidance and governance necessary to allow the disposal of surplus Council assets. The strategy was approved and adopted by Cabinet in February 2021.
- 2.2 As part of the recent capitalisation direction, the Improvement Panel and Government Ministers have made it very clear that they expect the Council to dispose of surplus assets where appropriate to help support the current financial position. By generating capital receipts, borrowing to support the capitalisation direction can be reduced and thus prevent pressures on the Council's revenue budgets.
- 2.3 The properties included within this report have been identified as surplus within the context of the disposal strategy and were included in the initial 2021/22 tranche within the Strategy.
- 2.4 The above proposals have followed the governance process as set out within the strategy and has been approved by Sustainable Communities, Regeneration and Economic Recovery DLT and CMT.
- 2.5 The approved business cases are attached as a background paper in the Part B report

## **3. BACKGROUND**

- 3.1 Given the significant financial challenges faced by the Council, it is important to ensure that the best outcome is achieved from any disposal and this includes
- Holding cost of any surplus assets if to be retained for longer term use or sale
  - Running costs for under-utilised assets and how these can be reduced
  - Service requirements across the Council to ensure an asset is not being sold off if it could provide a cost effective solution for another service area
  - Achieving "Best Consideration" – would delaying a disposal be more beneficial

- Loss of revenue from any income producing assets
  - Impact on the local area from holding assets empty for prolonged periods or the additional benefit from regeneration
  - Reputational issues from having vacant assets
- 3.2 The disposals included within this report fall within the following categories :
- Surplus assets released by service area
  - Vacant Properties both General Fund and HRA
- 3.3 It has been recommended that a variance of up to 10% on the initial agreed purchase price or other minor amendments to the contractual terms are permitted before any disposal needs to be referred back to Cabinet. For many of the smaller or conditional disposals, the parties making the offers may not carry out as much due diligence around the legal title or site limitations. It may therefore be the case that matters become apparent during the legal process that could impact on the value or general terms for the site. On the basis that such conditions are likely to impact the general value of the site it is considered realistic to look at the financial impact and agree a lower figure as may be necessary. Such a reduction will only be considered where it impacts the general value of the asset rather than for the specific user unless even with any agreed reduction the preferred bidder still clearly offers the best option in terms of securing best consideration for the asset disposal and would therefore not be in breach of the requirements of s123 of the Local Government Act 1972

#### **4. DETAIL**

- 4.1 Both of these sites have been included within a Masterplan that was drawn up to help deliver a more comprehensive regeneration for the Central Parade area. This identified the need for both local amenities such as the new leisure centre (opened in January 2020), a new health hub and additional housing. Whilst the initial proposals suggested that the health hub could be incorporated within a multi-use building, this has proved not to be feasible due to cost and operational reasons. A considerable amount of work has been undertaken in looking at this initial option as the provision of this new hub is a fundamental part of the NHS out of hospital strategy. The Masterplan has not been formally adopted and was commissioned to clarify the nature and scale of development that could take place. Variance from the Plan is not therefore an issue in terms of planning policy.
- 4.2 The site is bordered by the established Town and Village Green which is likely to limit the wider redevelopment of the site. By combining the two sites the developer has been able to put together some outline massing plans that demonstrate that the proposed 2,000m hub building can be provided with around 30 car spaces
- 4.3 Due to the importance of this facility, the NHS have already secured funding for the development and due to the timescales it is now important that matters are progressed swiftly otherwise there is a strong chance that the available funding will be redirected to other projects due to the considerable time delays. Due to

the time pressures and strategic need for this new health hub in New Addington, the two sites have not been subject to formal marketing and a decision has been taken to look to sell the sites to the same developer who has been selected for the Coulsdon Health Hub site. This offers the most time efficient approach to delivering this facility and retaining the available NHS funding.

- 4.4 Formal Red Book valuations have been undertaken for both sites so that the agreed values can be measured against their estimated values so that best consideration can be demonstrated without the need to market. These valuations will reflect the values based on the current uses and alternative uses subject to likely planning constraints/risk. When considering values against the requirements of s123 of the Local Government Act 1972 consideration can be given to social benefits as well as the actual value considerations. In this case there are clear social benefits if the development of a new health hub comes forward and also helps to support a key priority identified by a key partner organisation that will benefit local residents.
- 4.5 The business cases is appended to the Part B report together with the independent valuations. As this property is not being marketed, the process on this occasion has not involved direct mailing of details to the main umbrella VCS groups including the CVA, Asian Women's Group, BME Forum and CNCA.
- 4.6 The timing of this transaction is critical if the existing NHS funding is to be retained. This is not seen to be detrimental as given the use and the way in which rents are assessed through the Valuation Office, these are not as market sensitive as other property transactions. However, the cost of building materials continues to increase and therefore entering into an option to purchase at this stage will not only help secure the NHS funding but is also likely to deliver a better capital receipt as costs will increase faster than the rents.
- 4.7 The proposal to enter into an option agreement conditional on the developer gaining the necessary planning consent and sign off from the CCG for their full business case will include provisions to ensure that, if the transaction proceeds, the developer will only be able to build a health hub and not sell the site on for alternative uses that might attract a higher value.
- 4.8 Based on the above it is considered that a disposal at this time will not unduly undervalue the assets and will have the additional benefit of delivering a much needed facility to help improve and support local communities and deliver savings in the Council's holding costs for the assets.

## **5. ASSET DISPOSALS**

### **5.1 Addington Community Centre**

- 5.1.1 The rear section of Community Centre was demolished to allow the construction of the new leisure centre and the previous tenant vacated in 2016/17. The building was then managed by the Council's FM team to allow

local community uses such as the indoor market but the centre was closed in January 2020 when the new Leisure centre opened and users were encouraged to rent purpose built community space within this new facility. Following the buildings closure it has been used on a temporary basis by the New Addington Boxing Club who currently have a lease until December 2022 but has flexibility for the Council to terminate at any point after June 2022.

- 5.1.2 The asset has not been previously declared surplus as it was a leased property. However, part of the decision to build the new leisure centre in line with the Master Plan was to allow the rationalisation of the existing assets within the area. The sale of the asset was approved as part of the initial Interim Disposal Strategy agreed by Cabinet in February 2021.
- 5.1.3 The existing building has a current community use (F1) and therefore given the current demand for such space it is likely that a community use would be retained for this site. It is possible that through marketing the site could be sold to a community group but that would underutilize the area and not encourage the redevelopment of the area.
- 5.1.4 The proposed sale to developers will lead to the regeneration of this site and the provision of a new 2,000sqm health hub including a new diagnostic centre greatly improving the current GP and minor injuries facility at Parkway and will also allow capacity for future demand and allow the provision of better out of hospital services.
- 5.1.5 The existing Parkway medical centre will be released and discussions with NHS property services have indicated that they will be looking to bring this forward for additional housing provision.

## **5.2 90 Central Parade**

- 5.2.1 This site is situated adjacent to the community centre and is currently used by the Education Sensory team who visit schools across the Borough and deliver specialist programmes for children. The staff use the building as their central base and storage facility but spend a large part of the day out on site at schools and are therefore not locationally sensitive. The service will be relocated to an alternative site and work is currently underway looking at 4 potential sites so that agreement and any necessary modifications can be carried out in advance of any disposal
- 5.2.2 The property is a 2 storey 1960/70s office building that is currently being used as the base for the Education Sensory support team on the ground floor and there is a licence in place WCS on the first floor. This can be terminated at any time on giving 3 months notice and the occupiers are aware that they are likely to have to relocate. The building is of basic quality and due to its age and construction is likely to need substantial repairs and improvements over the next 5-10 years if it is to be retained
- 5.2.3 The property has not previously been declared surplus as it is still operational but it has been approved for disposal/redevelopment as part of the Interim Disposal Strategy and earlier regeneration project. Once a suitable alternative

location has been agreed with the service the premises will be declared surplus in line with the required governance process.

## **6. CONSULTATION**

- 6.1 Earlier consultation events regarding the Masterplan proposals took place in 2018/19 to discuss the wider redevelopment which did include these two buildings. Consultation with the service area has been undertaken occupiers have been informed of the proposed disposal. Formal consultation with residents will take place as part of the pre-planning process for the proposed health hub.
- 6.2 Ward councilors have been informed of the intention to dispose of these assets. Consultation has taken place with the Council's senior leadership team and Cabinet Members.

## **7. PRE-DECISION SCRUTINY**

- 7.1 The proposed disposals have not been presented to Scrutiny but recommendations made from previous scrutiny reports in respect of disposals have been incorporated where appropriate

## **8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

### **8.1 Revenue and Capital consequences of report recommendations**

Savings and Capital Receipts Included within the MTFS Budgets

Capital receipts generated from asset disposals (£000)

	21/22	22/23	23/24
Capital receipts	£48,183	£30,173	£2,896

Given the significant financial challenges faced by the Council, the disposal of surplus corporate assets is vital to ensure an improvement in its financial position, secure value for money and achieve financial savings by considering the net costs/benefits of holding surplus assets versus sale or letting of the assets.

We are required to pay for the costs of the capitalisation directions out of revenue budgets over a twenty year period, which on a straight line basis would cost 5% per year. In addition interest on those borrowings from the PWLB is at a 1% premium – at current rates this costs this would add 2.9%. Overall this would equate to £790k per £10m borrowed. By generating capital receipts, borrowing to support the capitalisation direction can be avoided and thus prevent pressures on revenue budgets.

There will be some additional capital expenditure involved with these disposals to relocate the service but as this will be re-using existing Council owned

space, the costs are not expected to be significant and in part offset by the lack of agents fees for these transactions. The running costs of these properties i.e. business rates, premises costs (cleaning, security, utilities etc) will further benefit the Council

The decision to dispose of an asset will consider the need to receive the benefits now, against a possible delayed sale when the financial benefit may be greater but less certain as usually this is dependent on obtaining suitable planning consent. This has been considered in respect of these disposals and it is not considered that a disposal of the assets at this time will significantly impact value.

## **8.2 Risks**

Disposal of properties in the corporate portfolio in the current economic climate gives rise to risks and uncertainties around achieving the best possible sale price. The capital receipts in the table above reflects an element of prudence and conservatism in the receipts of disposal and its timing. However, it must be emphasised that these asset values are subject detailed market valuations and market conditions prevailing at the time of sale.

## **8.3 Future savings/efficiencies**

The savings highlighted in the table above reflects an estimate of sales proceeds/capital receipts arising from disposal of corporate properties and savings in borrowing costs i.e. interest and minimum revenue provision on the general fund budgets.

Approved by Matt Davis Interim Deputy s151 Officer

## **9. LEGAL CONSIDERATIONS**

9.1 As set out earlier in this report, when disposing of land the Council has a statutory duty under section 123 of the Local Government Act 1972 (or section 233 of the Town and Country Planning Act 1990 where the land has been appropriated for planning purposes) to ensure that it obtains best consideration for the land and buildings disposed of and provisions of section 87-89 of the Localism Act 2011. In certain exceptional cases a disposal for less than best consideration is permitted where the difference in the value between the proposed disposal and the best consideration that might be obtainable on the market is less than £2M or, in other cases, with a specific consent from the Secretary of State. The processes set out in this report in relation to the Interim Disposal Strategy seek to ensure that best consideration is obtained in relation to proposed disposals. If and where disposals are proposed to proceed for less than best consideration (e.g. to secure wider community benefits) it is recommended that officers seek detailed legal advice in relation to any potential 'Subsidy Control' issues (the Subsidy Control regime replaces the State Aid regulations).

9.2 Land should only be disposed of by a local authority where it is considered to be surplus to the Council's requirements. The process set out in the Interim

Disposal Strategy seeks to ensure that consideration is given as to potential other Council uses of land before it is recommended for disposal.

Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Interim Director of Legal Services

## 10. HUMAN RESOURCES IMPACT

- 10.1 The proposed disposal allows for the relocation of staff currently using the property and therefore has no direct impact on staffing levels, restructuring or recruitment.

Approved by: Gillian Bevan Head of HR Resources

## 11. EQUALITIES IMPACT

- 11.1 Under the Equality Act 2010 the Council has an obligation to protect **people against discrimination, harassment or victimisation in employment**, and as users of private and public services based on nine protected characteristics: The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.

The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.

In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.

The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.

- 11.2 An equalities impact assessment has been undertaken for these asset disposals collectively, and the action being taken to offset the impact on affected protected groups is noted.

Approved by: Denise McCausland Equality Programme Manager

## **12. ENVIRONMENTAL IMPACT**

- 12.1 The proposed disposals and redevelopment of these two sites is likely to have a beneficial environmental impact. Any new development will utilise modern materials and be required to meet the current environmental standards and will therefore be more efficient in use.

## **13. CRIME AND DISORDER REDUCTION IMPACT**

- 13.1 The disposal of the two buildings is likely to help to improve antisocial behavior and crime due to the better design and layout of the proposed new buildings. The buildings will also be used more widely throughout the day and therefore reduce the opportunity for antisocial activity.

## **14. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

- 14.1 The assets are currently being underutilised, are expensive to run and likely to need expensive repair and maintenance in the medium term. Due to the age and nature of the buildings, they will not meet the more challenging Energy Performance requirements without substantial investment and therefore would become unlettable. The disposal will therefore not only produce a capital receipt but offer longer term revenue savings.
- 14.2 In addition to the financial benefits the disposals will help to deliver wider social benefits through potentially delivering essential new facilities and allow the development of new housing within the local areas both within the Council owned and NHS space.
- 14.3 It is essential that the disposal is secured as early as possible to ensure that the current capital grant secured by the CCG can be retained. Without this the scheme is not viable at the current levels and this would significantly impact the capital receipt.

## **15. OPTIONS CONSIDERED AND REJECTED**

- 15.1 The disposal of these assets is in line with the process set out in the Interim Property Strategy and the sites have already been included within the proposed disposal lists for 2021/22. They are either surplus or not being efficiently used and therefore disposal is the best option. Failure to do so would not help the Council to address the immediate financial position and the requirements of the MTFS.
- 15.2 The alternative options are to:
1. Continue to use the properties for their current uses in the short term and look to sell in the future or hold the asset and try and gain planning consent for a more beneficial use. It is not considered that this will maximise their value as the rental income is very limited from the current uses and repairs and



maintenance work would certainly be required to address known issues at the ACC in the short to medium term. The income received from the occupiers is far less than the outgoings and therefore this option would not reduce the Council's revenue liabilities.

2. Try and gain a higher value through obtaining planning consent for an alternative use, given the previous work undertaken by the Regeneration Team it is clear that a mixed housing and health hub development is not financially viable. Given the existing community use for part of the site it is very unlikely that a pure housing development would be granted consent.

3. Sell the existing properties unconditionally. This may deliver a very similar capital receipt but it is likely that the existing community building would be retained and therefore not lead to the regeneration of the area as the current space layout would suit likely purchasers and they would not necessarily have the funds to carry out improvement works. This would also not offer the proposed benefits of having a new medical hub and diagnostic facility within this central location

15.3 The disposal of both sites for the proposed redevelopment is therefore recommended

## **16. DATA PROTECTION IMPLICATIONS**

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

NO

**16.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Approved by: Steve Wingrave Head of Asset Management and Estates

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**CONTACT OFFICER:** Steve Wingrave  
Head of Asset Management and Estates ext 61512.

**APPENDICES TO THIS REPORT:** Equalities assessment

**BACKGROUND DOCUMENTS:** Location Plan for the combined site

## 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

<b>Directorate</b>	<b>Resources</b>
<b>Title of proposed change</b>	<b>Property Disposals as part of the Interim Asset Disposal Strategy</b>
<b>Name of Officer carrying out Equality Analysis</b>	<b>Steve Wingrave</b>

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

The Council is proposing to dispose of a number of assets as part of the Interim Disposal Strategy to help generate capital receipts in line with the MTFS requirements and enable the Council to continue to deliver its key services.

## 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. 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 Additional information needed to determine impact of proposed change

**Table 1 – 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.

Additional information needed	Information source	Date for completion
<p>The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.</p> <p>The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.</p>	<p><b>Asset Management/CMT</b></p>	<p><b>December 2022</b></p>

<p>In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.</p> <p>The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.</p>		

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

### 3.2 Deciding whether the potential impact is positive or negative

**Table 2 – Positive/Negative impact**

<p>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 judgment where possible.</p>			
Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	The proposed changes will not impact any protected characteristic group as the main provision for community services out of the ACC had already ceased and can be	<b>None</b>	<b>Use of the two new community facilities at New Addington Leisure Centre and Fieldway Centre has demonstrated</b>

	<p>reprovided from two new facilities within New Addington.</p> <p>The functions run from the office accommodation will be reprovided from an alternative site offering suitable accommodation to allow the service to be delivered. The provision of the new health facility, which is likely to include a diagnostic hub, will considerably improve healthcare facilities to a wide range of local residents including protected characteristic groups</p>		<b>groups are using these alternative sites</b>
Disability	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above</b>
Gender	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Gender Reassignment	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Marriage or Civil Partnership	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Religion or belief	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above</b>
Race	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Sexual Orientation	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>

Pregnancy or Maternity	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
<p><b>Important note:</b> 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.</p> <p>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.</p>			

### 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**

<b>Severity of Impact</b>	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	<b>Likelihood of Impact</b>			

**Key**

<b>Risk Index</b>	<b>Risk Magnitude</b>
6 – 9	High
3 – 5	Medium
1 – 3	Low

**Table 5 – Impact scores**

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



## 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.

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## 5. Action Plan to mitigate negative impacts of proposed change

**Table 5 – 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
Disability	No Negative Impact			
Race	No Negative Impact			
Sex (gender)	No Negative Impact			
Gender reassignment	No Negative Impact			
Sexual orientation	No Negative Impact			

# Equality Analysis

Age	No Negative Impact			
Religion or belief	No Negative Impact			
Pregnancy or maternity	No Negative Impact			
Marriage/civil partnership	No Negative Impact			

## 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.

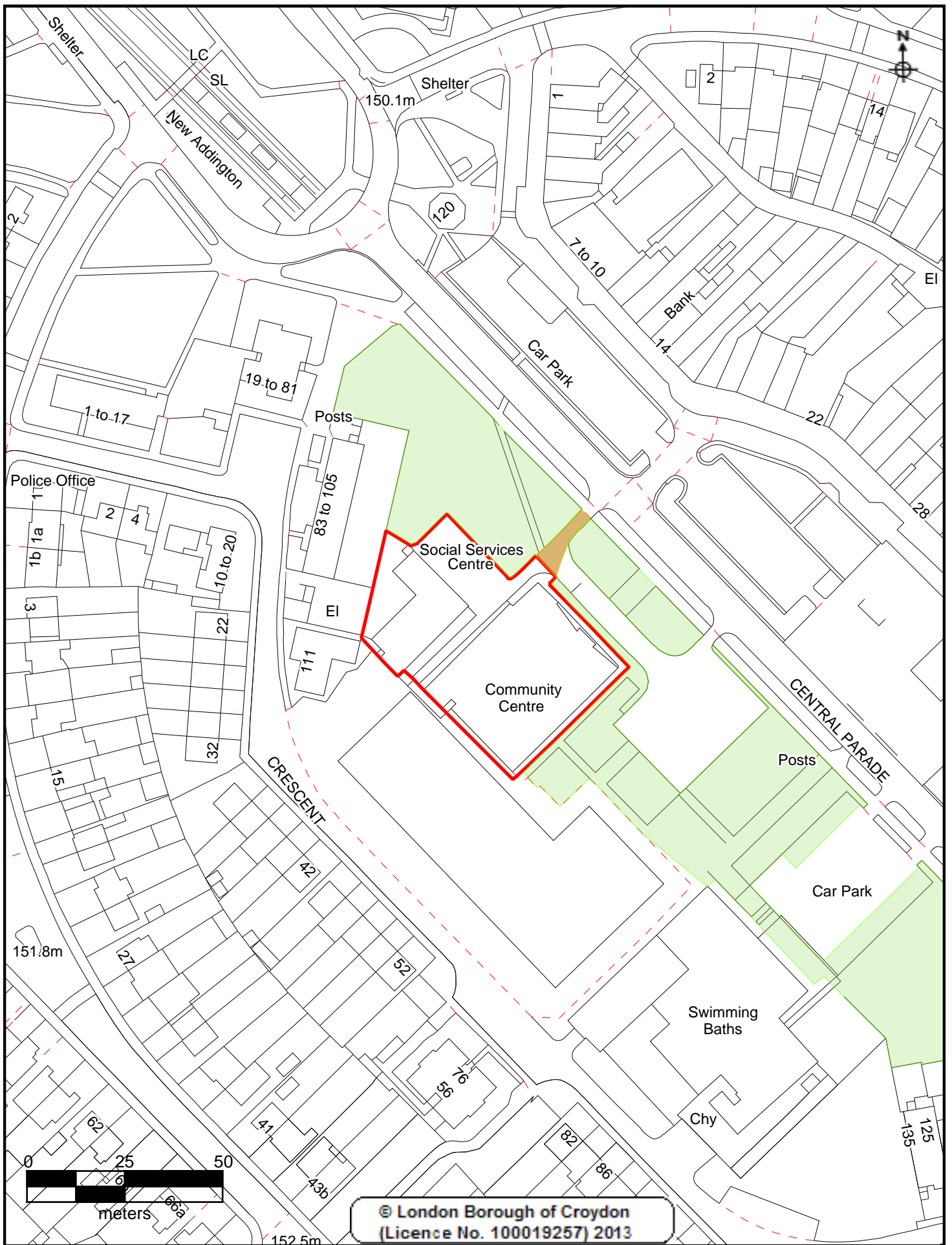
Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. <b>If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</b></p> <p>The proposed disposal will not significantly change the current provision and delivery of services. Although the sale of the ACC will reduce the availability of cheaper space for community groups, the new space at the Leisure Centre and Fieldway Centre provides more modern and better facilities which will help mitigate the impact. The relocation of the office based teams is not considered to impact any groups with protected characteristics. The sale is conditional on the provision of a new health centre and therefore the provision of this new asset is likely to improve facilities for a number of groups with protected characteristics as it will provide new facilities and more accessible accommodation</p>	x
Adjust the proposed change	<p>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. <b>If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</b></p>	
Continue the proposed change	<p>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. <b>If you reach this conclusion, you should clearly 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.</b></p>	

## Equality Analysis

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? eg. Contracts and Commissioning Board (CCB) / Cabinet <b>Yes.</b>	Meeting title: Cabinet Date: <b>21 March 2022</b>	

### 7. Sign-Off

<b>Officers that must approve this decision</b>		
<b>Equality lead</b>	<b>Name: Denise McCausland</b>	<b>Date:</b>
	<b>Position: On behalf of Director for Policy &amp; Partnerships</b>	
<b>Director</b>	<b>Name: Peter Mitchell</b>	<b>Date: 9 March 2022</b>
	<b>Position: Director of Commercial Investment and Capital</b>	



## LONDON BOROUGH OF CROYDON

To: All Members of Council  
Croydon Council website  
Access Croydon & Town Hall Reception

### **PUBLIC NOTICE OF KEY DECISIONS MADE BY CABINET MEMBER FOR RESOURCES AND FINANCIAL GOVERNANCE ON 06 APRIL 2022**

This statement is produced in accordance with Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 14 April 2022** unless referred to the Scrutiny and Overview Committee (ie after 13.00 hours on the 6th working day following the day on which the decision was taken). The call-in procedure is appended to this notice.

The following apply to the decision below:

**Reasons for these decisions:** As set out in Part A of report

**Other options considered and rejected:** As set out in Part A of report

**Details of conflicts of interest declared by the decision maker:** None

**Note of dispensation granted by the Head of Paid Service in relation to a declared conflict of interest by that decision maker:** None

The Leader of the Council has delegated to the decision maker the power to make the Key Decisions noted out below:

**Decision Title: PROPERTY DISPOSALS AS PART OF THE INTERIM ASSET DISPOSAL STRATEGY: DISPOSAL OF OFFICES AT 90 CENTRAL PARADE**

**Key Decision No: 1422RFG**

**Details of decision:**

Having carefully read and considered the Part A report, and associated confidential Part B report, and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the reports, the Cabinet Member for Resources and Financial Governance in consultation with the Leader

**RESOLVED:** To

1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington

1.2 Approval to a downward price variation of up to a maximum of 10% and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet to allow for some minor changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer

On the basis of the terms set out in Part A and Part B of this report

**Signed:** Interim Monitoring Officer

**Notice Date:** 06 April 2022

**\*\*Please note - this Decision Notice supersedes the original notice published on 24 March 2022, due to technical issues\*\***

## Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 14 April 2022** (the 6th working day following the day on which the decision was taken) unless referred to the Scrutiny and Overview Committee.
2. The Council Solicitor shall refer the matter to the Scrutiny and Overview Committee if so requested by:-
  - i) the Chair and Vice Chair of the Scrutiny and Overview Committee and 1 member of that Committee; or for education matters the Chair, Vice Chair and 1 member of that Committee; or
  - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Democratic Services by the deadline stated in this notice. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
  - i) The grounds for the referral
  - ii) The outcome desired
  - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
  - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision. The Chair of the Scrutiny & Overview Committee shall also be notified.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Council Solicitor, this would cause undue delay. In such cases the Council Solicitor will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to Cabinet for reconsideration, setting out in writing the nature of the concerns. The Cabinet shall then reconsider the decision, amending the decision or not, before making a final decision.
8. The Scrutiny and Overview Committee may refer the decision to the Council if it considers that the decision is outside of the budget and policy framework of the Council. In such circumstances, the provisions of Rule 7 of the Budget & Policy Framework Procedure Rules (Part 4C of the Constitution) apply. The Council

may decide to take no further action in which case the decision may be implemented. If the Council objects to Cabinet's decision it can nullify the decision if it is outside the Policy Framework and/or inconsistent with the Budget.

9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.
10. If the Council determines that the decision was within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the decision, to the Cabinet. The Cabinet shall choose whether to either amend, withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.
11. The responses of the decision-taker and the Council shall be notified to all Members of the Scrutiny and Overview Committee once the Cabinet or Council has considered the matter and made a determination.
12. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
13. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process. The Chair of the Scrutiny and Overview Committee must agree that the decision proposed cannot be reasonably deferred and that it is urgent. In the absence of the Chair, the Deputy Chair's consent shall be required. In the absence of both the Chair and Deputy Chair, the Mayor's consent shall be required. Any such urgent decisions must be reported at least annually in a report to Council from the Leader including the reasons for urgency.

**Signed:** Interim Monitoring Officer

**Notice Date:** 06 April 2022

**Contact Officers:** [michelle.gerning@croydon.gov.uk](mailto:michelle.gerning@croydon.gov.uk) and [colin.sweeney@croydon.gov.uk](mailto:colin.sweeney@croydon.gov.uk)



**PROFORMA**

**REFERRAL OF A KEY DECISION TO THE  
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Michelle Ossei-Gerning and Colin Sweeney, Democratic Services & Scrutiny e-mail to

[Michelle.Gerning@croydon.gov.uk](mailto:Michelle.Gerning@croydon.gov.uk) and [Colin.Sweeney@croydon.gov.uk](mailto:Colin.Sweeney@croydon.gov.uk)

Meeting:

Meeting Date:

Agenda Item No:

**Reasons for referral:**

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

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**The outcome desired:**

**Information required to assist the Scrutiny and Overview Committee to consider the referral:**

Signed:

Date:

Member of \_\_\_\_\_ Committee

**For General Release**

<b>DELEGATED DECISION REPORT TO :</b>	<b>Cllr Callton Young, Cabinet Member for Resources and Financial Governance</b>
<b>SUBJECT:</b>	<b>Property Disposals as part of the Interim Asset Disposal Strategy</b>
<b>LEAD OFFICER:</b>	<b>Jane West, Corporate Director Resources and S151 Officer</b>
<b>CABINET MEMBER:</b>	<b>Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal Cllr Callton Young Cabinet Member for Resources and Financial Governance</b>
<b>WARDS:</b>	<b>New Addington South</b>
<p><b>COUNCIL PRIORITIES</b></p> <p>Croydon Renewal Plan – the recommendations in this report are in line with the new corporate priorities and new way for renewing Croydon</p> <p>Medium Term Financial Strategy</p>	
<p><b>FINANCIAL IMPACT</b></p> <p>This paper is seeking approval for the disposal of two Council assets in line with the Interim Asset Disposal Strategy. The proposal will deliver further capital receipts. The disposals are part of the wider disposal strategy and will significantly contribute towards the assets disposal target in the MTFs.</p> <p>All disposal costs, including a contribution towards officer time will be paid for out of capital receipts in line with the current financial guidelines which allow up to 4% of the capital receipt to be allocated against reasonable revenue costs in achieving the sales.</p>	
<p><b>FORWARD PLAN KEY DECISION REFERENCE NO.:</b> 1322RFG (<b>Community Centre</b>) and 1522RFG (<b>90 Central Parade</b>)The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.</p>	
<p>The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below</p> <p><b>1. RECOMMENDATIONS</b></p> <p>Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following:</p> <p>1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington</p>	

1.2 Approval to a downward price variation of up to a maximum of 10% and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet to allow for some minor changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer

On the basis of the terms set out in Part A and Part B of this report

## **2. EXECUTIVE SUMMARY**

- 2.1 This Interim Disposal Strategy has been developed to support the requirements of the Croydon Renewal Plan and Medium Term Financial Strategy [MTFS] and sets out the guidance and governance necessary to allow the disposal of surplus Council assets. The strategy was approved and adopted by Cabinet in February 2021.
- 2.2 As part of the recent capitalisation direction, the Improvement Panel and Government Ministers have made it very clear that they expect the Council to dispose of surplus assets where appropriate to help support the current financial position. By generating capital receipts, borrowing to support the capitalisation direction can be reduced and thus prevent pressures on the Council's revenue budgets.
- 2.3 The properties included within this report have been identified as surplus within the context of the disposal strategy and were included in the initial 2021/22 tranche within the Strategy.
- 2.4 The above proposals have followed the governance process as set out within the strategy and has been approved by Sustainable Communities, Regeneration and Economic Recovery DLT and CMT.
- 2.5 The approved business cases are attached as a background paper in the Part B report

## **3. BACKGROUND**

- 3.1 Given the significant financial challenges faced by the Council, it is important to ensure that the best outcome is achieved from any disposal and this includes
- Holding cost of any surplus assets if to be retained for longer term use or sale
  - Running costs for under-utilised assets and how these can be reduced
  - Service requirements across the Council to ensure an asset is not being sold off if it could provide a cost effective solution for another service area
  - Achieving "Best Consideration" – would delaying a disposal be more beneficial

- Loss of revenue from any income producing assets
  - Impact on the local area from holding assets empty for prolonged periods or the additional benefit from regeneration
  - Reputational issues from having vacant assets
- 3.2 The disposals included within this report fall within the following categories :
- Surplus assets released by service area
  - Vacant Properties both General Fund and HRA
- 3.3 It has been recommended that a variance of up to 10% on the initial agreed purchase price or other minor amendments to the contractual terms are permitted before any disposal needs to be referred back to Cabinet. For many of the smaller or conditional disposals, the parties making the offers may not carry out as much due diligence around the legal title or site limitations. It may therefore be the case that matters become apparent during the legal process that could impact on the value or general terms for the site. On the basis that such conditions are likely to impact the general value of the site it is considered realistic to look at the financial impact and agree a lower figure as may be necessary. Such a reduction will only be considered where it impacts the general value of the asset rather than for the specific user unless even with any agreed reduction the preferred bidder still clearly offers the best option in terms of securing best consideration for the asset disposal and would therefore not be in breach of the requirements of s123 of the Local Government Act 1972

#### **4. DETAIL**

- 4.1 Both of these sites have been included within a Masterplan that was drawn up to help deliver a more comprehensive regeneration for the Central Parade area. This identified the need for both local amenities such as the new leisure centre (opened in January 2020), a new health hub and additional housing. Whilst the initial proposals suggested that the health hub could be incorporated within a multi-use building, this has proved not to be feasible due to cost and operational reasons. A considerable amount of work has been undertaken in looking at this initial option as the provision of this new hub is a fundamental part of the NHS out of hospital strategy. The Masterplan has not been formally adopted and was commissioned to clarify the nature and scale of development that could take place. Variance from the Plan is not therefore an issue in terms of planning policy.
- 4.2 The site is bordered by the established Town and Village Green which is likely to limit the wider redevelopment of the site. By combining the two sites the developer has been able to put together some outline massing plans that demonstrate that the proposed 2,000m hub building can be provided with around 30 car spaces
- 4.3 Due to the importance of this facility, the NHS have already secured funding for the development and due to the timescales it is now important that matters are progressed swiftly otherwise there is a strong chance that the available funding will be redirected to other projects due to the considerable time delays. Due to

the time pressures and strategic need for this new health hub in New Addington, the two sites have not been subject to formal marketing and a decision has been taken to look to sell the sites to the same developer who has been selected for the Coulsdon Health Hub site. This offers the most time efficient approach to delivering this facility and retaining the available NHS funding.

- 4.4 Formal Red Book valuations have been undertaken for both sites so that the agreed values can be measured against their estimated values so that best consideration can be demonstrated without the need to market. These valuations will reflect the values based on the current uses and alternative uses subject to likely planning constraints/risk. When considering values against the requirements of s123 of the Local Government Act 1972 consideration can be given to social benefits as well as the actual value considerations. In this case there are clear social benefits if the development of a new health hub comes forward and also helps to support a key priority identified by a key partner organisation that will benefit local residents.
- 4.5 The business cases is appended to the Part B report together with the independent valuations. As this property is not being marketed, the process on this occasion has not involved direct mailing of details to the main umbrella VCS groups including the CVA, Asian Women's Group, BME Forum and CNCA.
- 4.6 The timing of this transaction is critical if the existing NHS funding is to be retained. This is not seen to be detrimental as given the use and the way in which rents are assessed through the Valuation Office, these are not as market sensitive as other property transactions. However, the cost of building materials continues to increase and therefore entering into an option to purchase at this stage will not only help secure the NHS funding but is also likely to deliver a better capital receipt as costs will increase faster than the rents.
- 4.7 The proposal to enter into an option agreement conditional on the developer gaining the necessary planning consent and sign off from the CCG for their full business case will include provisions to ensure that, if the transaction proceeds, the developer will only be able to build a health hub and not sell the site on for alternative uses that might attract a higher value.
- 4.8 Based on the above it is considered that a disposal at this time will not unduly undervalue the assets and will have the additional benefit of delivering a much needed facility to help improve and support local communities and deliver savings in the Council's holding costs for the assets.

## **5. ASSET DISPOSALS**

### **5.1 Addington Community Centre**

- 5.1.1 The rear section of Community Centre was demolished to allow the construction of the new leisure centre and the previous tenant vacated in 2016/17. The building was then managed by the Council's FM team to allow

local community uses such as the indoor market but the centre was closed in January 2020 when the new Leisure centre opened and users were encouraged to rent purpose built community space within this new facility. Following the buildings closure it has been used on a temporary basis by the New Addington Boxing Club who currently have a lease until December 2022 but has flexibility for the Council to terminate at any point after June 2022.

- 5.1.2 The asset has not been previously declared surplus as it was a leased property. However, part of the decision to build the new leisure centre in line with the Master Plan was to allow the rationalisation of the existing assets within the area. The sale of the asset was approved as part of the initial Interim Disposal Strategy agreed by Cabinet in February 2021.
- 5.1.3 The existing building has a current community use (F1) and therefore given the current demand for such space it is likely that a community use would be retained for this site. It is possible that through marketing the site could be sold to a community group but that would underutilize the area and not encourage the redevelopment of the area.
- 5.1.4 The proposed sale to developers will lead to the regeneration of this site and the provision of a new 2,000sqm health hub including a new diagnostic centre greatly improving the current GP and minor injuries facility at Parkway and will also allow capacity for future demand and allow the provision of better out of hospital services.
- 5.1.5 The existing Parkway medical centre will be released and discussions with NHS property services have indicated that they will be looking to bring this forward for additional housing provision.

## **5.2 90 Central Parade**

- 5.2.1 This site is situated adjacent to the community centre and is currently used by the Education Sensory team who visit schools across the Borough and deliver specialist programmes for children. The staff use the building as their central base and storage facility but spend a large part of the day out on site at schools and are therefore not locationally sensitive. The service will be relocated to an alternative site and work is currently underway looking at 4 potential sites so that agreement and any necessary modifications can be carried out in advance of any disposal
- 5.2.2 The property is a 2 storey 1960/70s office building that is currently being used as the base for the Education Sensory support team on the ground floor and there is a licence in place WCS on the first floor. This can be terminated at any time on giving 3 months notice and the occupiers are aware that they are likely to have to relocate. The building is of basic quality and due to its age and construction is likely to need substantial repairs and improvements over the next 5-10 years if it is to be retained
- 5.2.3 The property has not previously been declared surplus as it is still operational but it has been approved for disposal/redevelopment as part of the Interim Disposal Strategy and earlier regeneration project. Once a suitable alternative

location has been agreed with the service the premises will be declared surplus in line with the required governance process.

## **6. CONSULTATION**

- 6.1 Earlier consultation events regarding the Masterplan proposals took place in 2018/19 to discuss the wider redevelopment which did include these two buildings. Consultation with the service area has been undertaken occupiers have been informed of the proposed disposal. Formal consultation with residents will take place as part of the pre-planning process for the proposed health hub.
- 6.2 Ward councilors have been informed of the intention to dispose of these assets. Consultation has taken place with the Council's senior leadership team and Cabinet Members.

## **7. PRE-DECISION SCRUTINY**

- 7.1 The proposed disposals have not been presented to Scrutiny but recommendations made from previous scrutiny reports in respect of disposals have been incorporated where appropriate

## **8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

### **8.1 Revenue and Capital consequences of report recommendations**

Savings and Capital Receipts Included within the MTFS Budgets

Capital receipts generated from asset disposals (£000)

	21/22	22/23	23/24
Capital receipts	£48,183	£30,173	£2,896

Given the significant financial challenges faced by the Council, the disposal of surplus corporate assets is vital to ensure an improvement in its financial position, secure value for money and achieve financial savings by considering the net costs/benefits of holding surplus assets versus sale or letting of the assets.

We are required to pay for the costs of the capitalisation directions out of revenue budgets over a twenty year period, which on a straight line basis would cost 5% per year. In addition interest on those borrowings from the PWLB is at a 1% premium – at current rates this costs this would add 2.9%. Overall this would equate to £790k per £10m borrowed. By generating capital receipts, borrowing to support the capitalisation direction can be avoided and thus prevent pressures on revenue budgets.

There will be some additional capital expenditure involved with these disposals to relocate the service but as this will be re-using existing Council owned

space, the costs are not expected to be significant and in part offset by the lack of agents fees for these transactions. The running costs of these properties i.e. business rates, premises costs (cleaning, security, utilities etc) will further benefit the Council

The decision to dispose of an asset will consider the need to receive the benefits now, against a possible delayed sale when the financial benefit may be greater but less certain as usually this is dependent on obtaining suitable planning consent. This has been considered in respect of these disposals and it is not considered that a disposal of the assets at this time will significantly impact value.

## **8.2 Risks**

Disposal of properties in the corporate portfolio in the current economic climate gives rise to risks and uncertainties around achieving the best possible sale price. The capital receipts in the table above reflects an element of prudence and conservatism in the receipts of disposal and its timing. However, it must be emphasised that these asset values are subject detailed market valuations and market conditions prevailing at the time of sale.

## **8.3 Future savings/efficiencies**

The savings highlighted in the table above reflects an estimate of sales proceeds/capital receipts arising from disposal of corporate properties and savings in borrowing costs i.e. interest and minimum revenue provision on the general fund budgets.

Approved by Matt Davis Interim Deputy s151 Officer

## **9. LEGAL CONSIDERATIONS**

9.1 As set out earlier in this report, when disposing of land the Council has a statutory duty under section 123 of the Local Government Act 1972 (or section 233 of the Town and Country Planning Act 1990 where the land has been appropriated for planning purposes) to ensure that it obtains best consideration for the land and buildings disposed of and provisions of section 87-89 of the Localism Act 2011. In certain exceptional cases a disposal for less than best consideration is permitted where the difference in the value between the proposed disposal and the best consideration that might be obtainable on the market is less than £2M or, in other cases, with a specific consent from the Secretary of State. The processes set out in this report in relation to the Interim Disposal Strategy seek to ensure that best consideration is obtained in relation to proposed disposals. If and where disposals are proposed to proceed for less than best consideration (e.g. to secure wider community benefits) it is recommended that officers seek detailed legal advice in relation to any potential 'Subsidy Control' issues (the Subsidy Control regime replaces the State Aid regulations).

9.2 Land should only be disposed of by a local authority where it is considered to be surplus to the Council's requirements. The process set out in the Interim



Disposal Strategy seeks to ensure that consideration is given as to potential other Council uses of land before it is recommended for disposal.

Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Interim Director of Legal Services

## 10. HUMAN RESOURCES IMPACT

- 10.1 The proposed disposal allows for the relocation of staff currently using the property and therefore has no direct impact on staffing levels, restructuring or recruitment.

Approved by: Gillian Bevan Head of HR Resources

## 11. EQUALITIES IMPACT

- 11.1 Under the Equality Act 2010 the Council has an obligation to protect **people against discrimination, harassment or victimisation in employment**, and as users of private and public services based on nine protected characteristics: The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.

The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.

In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.

The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.

- 11.2 An equalities impact assessment has been undertaken for these asset disposals collectively, and the action being taken to offset the impact on affected protected groups is noted.

Approved by: Denise McCausland Equality Programme Manager

## **12. ENVIRONMENTAL IMPACT**

- 12.1 The proposed disposals and redevelopment of these two sites is likely to have a beneficial environmental impact. Any new development will utilise modern materials and be required to meet the current environmental standards and will therefore be more efficient in use.

## **13. CRIME AND DISORDER REDUCTION IMPACT**

- 13.1 The disposal of the two buildings is likely to help to improve antisocial behavior and crime due to the better design and layout of the proposed new buildings. The buildings will also be used more widely throughout the day and therefore reduce the opportunity for antisocial activity.

## **14. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION**

- 14.1 The assets are currently being underutilised, are expensive to run and likely to need expensive repair and maintenance in the medium term. Due to the age and nature of the buildings, they will not meet the more challenging Energy Performance requirements without substantial investment and therefore would become unlettable. The disposal will therefore not only produce a capital receipt but offer longer term revenue savings.
- 14.2 In addition to the financial benefits the disposals will help to deliver wider social benefits through potentially delivering essential new facilities and allow the development of new housing within the local areas both within the Council owned and NHS space.
- 14.3 It is essential that the disposal is secured as early as possible to ensure that the current capital grant secured by the CCG can be retained. Without this the scheme is not viable at the current levels and this would significantly impact the capital receipt.

## **15. OPTIONS CONSIDERED AND REJECTED**

- 15.1 The disposal of these assets is in line with the process set out in the Interim Property Strategy and the sites have already been included within the proposed disposal lists for 2021/22. They are either surplus or not being efficiently used and therefore disposal is the best option. Failure to do so would not help the Council to address the immediate financial position and the requirements of the MTFS.
- 15.2 The alternative options are to:
1. Continue to use the properties for their current uses in the short term and look to sell in the future or hold the asset and try and gain planning consent for a more beneficial use. It is not considered that this will maximise their value as the rental income is very limited from the current uses and repairs and

maintenance work would certainly be required to address known issues at the ACC in the short to medium term. The income received from the occupiers is far less than the outgoings and therefore this option would not reduce the Council's revenue liabilities.

2. Try and gain a higher value through obtaining planning consent for an alternative use, given the previous work undertaken by the Regeneration Team it is clear that a mixed housing and health hub development is not financially viable. Given the existing community use for part of the site it is very unlikely that a pure housing development would be granted consent.

3. Sell the existing properties unconditionally. This may deliver a very similar capital receipt but it is likely that the existing community building would be retained and therefore not lead to the regeneration of the area as the current space layout would suit likely purchasers and they would not necessarily have the funds to carry out improvement works. This would also not offer the proposed benefits of having a new medical hub and diagnostic facility within this central location

15.3 The disposal of both sites for the proposed redevelopment is therefore recommended

## **16. DATA PROTECTION IMPLICATIONS**

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

NO

**16.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Approved by: Steve Wingrave Head of Asset Management and Estates

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**CONTACT OFFICER:** Steve Wingrave  
Head of Asset Management and Estates ext 61512.

**APPENDICES TO THIS REPORT:** Equalities assessment

**BACKGROUND DOCUMENTS:** Location Plan for the combined site

## 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

<b>Directorate</b>	<b>Resources</b>
<b>Title of proposed change</b>	<b>Property Disposals as part of the Interim Asset Disposal Strategy</b>
<b>Name of Officer carrying out Equality Analysis</b>	<b>Steve Wingrave</b>

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

The Council is proposing to dispose of a number of assets as part of the Interim Disposal Strategy to help generate capital receipts in line with the MTFS requirements and enable the Council to continue to deliver its key services.

## 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. 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 Additional information needed to determine impact of proposed change

**Table 1 – 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.

Additional information needed	Information source	Date for completion
<p>The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.</p> <p>The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.</p>	<p><b>Asset Management/CMT</b></p>	<p><b>December 2022</b></p>

<p>In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.</p> <p>The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.</p>		

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

### 3.2 Deciding whether the potential impact is positive or negative

**Table 2 – Positive/Negative impact**

<p>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 judgment where possible.</p>			
Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	The proposed changes will not impact any protected characteristic group as the main provision for community services out of the ACC had already ceased and can be	<b>None</b>	<b>Use of the two new community facilities at New Addington Leisure Centre and Fieldway Centre has demonstrated</b>

	<p>reprovided from two new facilities within New Addington.</p> <p>The functions run from the office accommodation will be reprovided from an alternative site offering suitable accommodation to allow the service to be delivered. The provision of the new health facility, which is likely to include a diagnostic hub, will considerably improve healthcare facilities to a wide range of local residents including protected characteristic groups</p>		<b>groups are using these alternative sites</b>
Disability	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above</b>
Gender	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Gender Reassignment	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Marriage or Civil Partnership	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Religion or belief	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above</b>
Race	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
Sexual Orientation	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>

Pregnancy or Maternity	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	<b>None</b>	<b>As above.</b>
<p><b>Important note:</b> 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.</p> <p>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.</p>			

### 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**



<b>Severity of Impact</b>	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	<b>Likelihood of Impact</b>			

**Key**

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

**Table 5 – Impact scores**

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

## 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

**Table 5 – 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
Disability	No Negative Impact			
Race	No Negative Impact			
Sex (gender)	No Negative Impact			
Gender reassignment	No Negative Impact			
Sexual orientation	No Negative Impact			

# Equality Analysis

Age	No Negative Impact			
Religion or belief	No Negative Impact			
Pregnancy or maternity	No Negative Impact			
Marriage/civil partnership	No Negative Impact			

## 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.

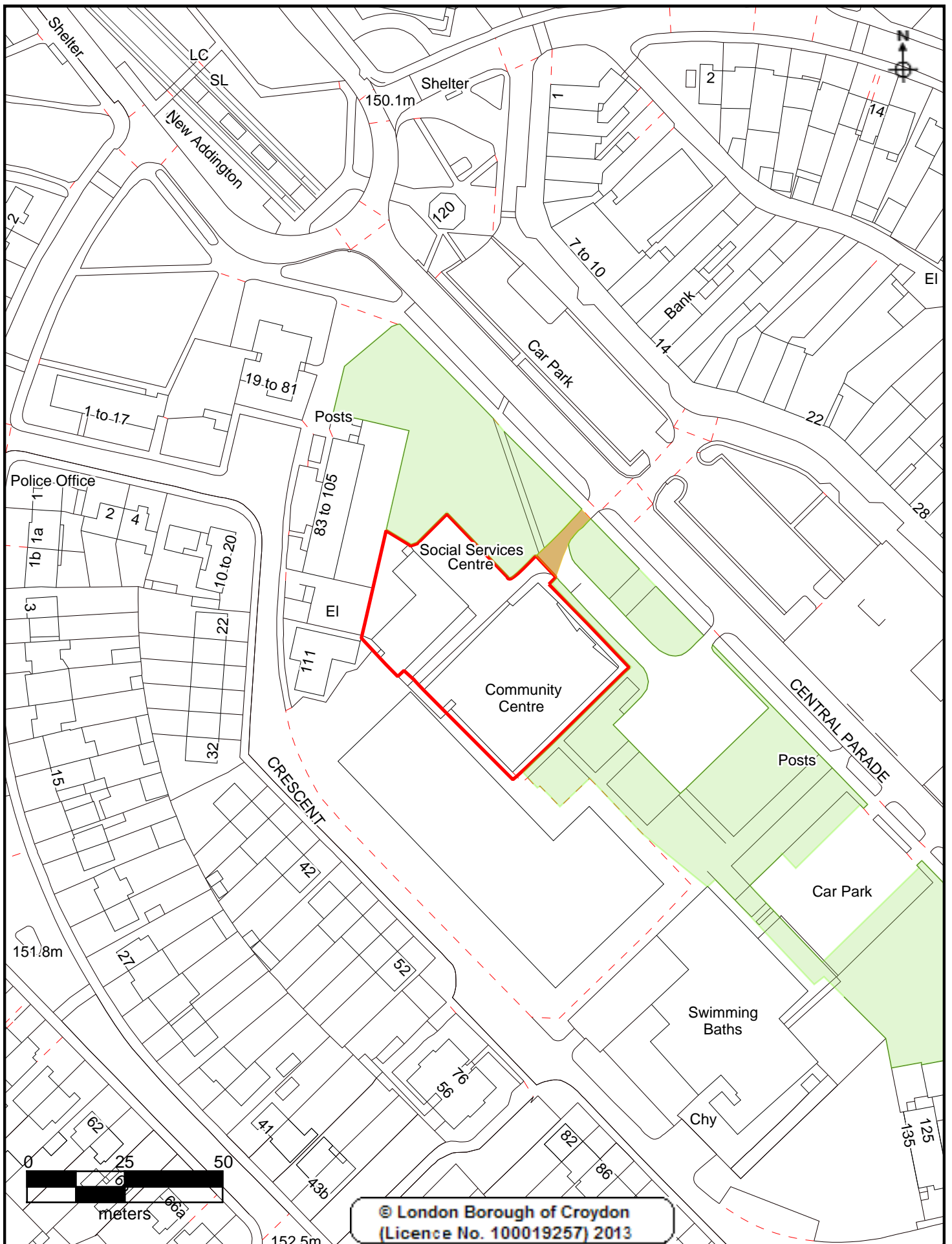
Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. <b>If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</b></p> <p>The proposed disposal will not significantly change the current provision and delivery of services. Although the sale of the ACC will reduce the availability of cheaper space for community groups, the new space at the Leisure Centre and Fieldway Centre provides more modern and better facilities which will help mitigate the impact. The relocation of the office based teams is not considered to impact any groups with protected characteristics. The sale is conditional on the provision of a new health centre and therefore the provision of this new asset is likely to improve facilities for a number of groups with protected characteristics as it will provide new facilities and more accessible accommodation</p>	x
Adjust the proposed change	<p>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. <b>If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</b></p>	
Continue the proposed change	<p>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. <b>If you reach this conclusion, you should clearly 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.</b></p>	

## Equality Analysis

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? eg. Contracts and Commissioning Board (CCB) / Cabinet <b>Yes.</b>	Meeting title: Cabinet Date: <b>21 March 2022</b>	

### 7. Sign-Off

<b>Officers that must approve this decision</b>		
<b>Equality lead</b>	<b>Name: Denise McCausland</b>	<b>Date:</b>
	<b>Position: On behalf of Director for Policy &amp; Partnerships</b>	
<b>Director</b>	<b>Name: Peter Mitchell</b>	<b>Date: 9 March 2022</b>
	<b>Position: Director of Commercial Investment and Capital</b>	



# Agenda Item 6

<b>REPORT TO:</b>	SCRUTINY & OVERVIEW COMMITTEE 27 April 2022
<b>SUBJECT:</b>	Scrutiny Annual Report 2021-22
<b>LEAD OFFICER:</b>	Simon Trevaskis – Senior Democratic Services & Governance Officer – Scrutiny
<b>PERSON LEADING AT SCRUTINY COMMITTEE MEETING:</b>	Councillor Sean Fitzsimons – Chair of the Scrutiny & Overview Committee
<b>PUBLIC/EXEMPT:</b>	Public

<b>ORIGIN OF ITEM:</b>	It is a requirement set out in part 4E: Scrutiny and Overview Procedure Rules of the Council's Constitution for the Scrutiny & Overview Committee to submit an annual report on the work of itself and its sub-committees to the first full meeting of the Council of the new year.
<b>BRIEF FOR THE COMMITTEE:</b>	The Scrutiny and Overview Committee is asked to: - <ol style="list-style-type: none"><li>1. Approve the draft version of the Annual Scrutiny Report.</li><li>2. Consider whether there is any other information that should be added to the final version to be presented to the Council in June 2022.</li><li>3. To note that any amendments made as a result of the comments of the Committee will be agreed by the three Scrutiny Chairs, to meet the timeline for delivery to the Council meeting.</li></ol>

## 1. SCRUTINY ANNUAL REPORT 2021-22

- 1.1. The Council's Constitution required the Scrutiny & Overview Committee to make an annual report to Council summarising its work over the previous year.
- 1.2. A draft version of the Scrutiny Annual Report is attached at Appendix 1 for the Committee to review. The Committee is asked for its suggestions or amendments, which will be included in the final version of the report, which will be presented to the Council meeting on 13 July 2022.

**CONTACT OFFICER:** Simon Trevaskis – Senior Democratic Services & Governance Officer - Scrutiny

### APPENDICES TO THIS REPORT

Appendix 1: Draft Scrutiny Annual Report

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# Scrutiny

ANNUAL REPORT 2021-2022



HOUSING **RISK** VITALITY  
TRANSPORT **RISK** ROAD ACCIDENTS  
SAFEGUARDING **RISK**

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**Chair's Introduction - TBC**

## Scrutiny and Overview Committee

The Scrutiny and Overview Committee directs the performance of all overview and scrutiny functions at the Council, including the development of procedures governing the operation of both the Committee and its Sub-Committees. It also has responsibility for scrutinising crime and disorder matters and flood risk management within the borough. The Committee will consider any call-in of Cabinet decisions other than those relating to education matters, which are heard by the Children and Young People Scrutiny Sub-Committee.

You can view the agendas, reports and minutes of this committee by clicking on the link: [www.croydon.gov.uk/meetings](http://www.croydon.gov.uk/meetings)

### Members of the Overview and Scrutiny Committee



**Cllr Sean  
Fitzsimons  
(C)**



**Cllr Robert  
Ward (VC)**



**Cllr Leila  
Ben Hassel  
(DC)**



**Cllr Jade  
Appleton**



**Cllr Mike  
Bonello**



**Cllr Joy  
Prince**

### **Scrutiny & Overview Committee – Work Programme 2021-22 and Scrutiny Improvement Programme**

In March 2021 the Scrutiny and Overview Committee accepted the findings of a review of the scrutiny function at Croydon Council which had been delivered by the Centre for Governance and Scrutiny. At its meeting on 7 September, the Committee agreed a plan for implementing the thirteen recommendations arising from the review which prioritised in the first instance ensuring scrutiny was playing an effective role in the recovery of the Council, evidence-based work programming, improved access to information for Scrutiny Councillors and training to support the above.

This work has led to a work programming group being established to set the work plan for the Scrutiny and Overview Committee and its three sub-committees, using available data such as performance monitoring reports and budget updates to identify areas in need of further scrutiny. The membership of this group is made up of the Chair and Vice-Chair of each Committee and Sub-Committee. The recommendation about the need to improve the availability of information to Scrutiny Councillors has led to the development of a new Access to Information Protocol which reconfirms the need for Councillors to be able to access information to perform scrutiny effectively.

As part of the Improvement Programme, the Centre for Governance and Scrutiny identified three work streams that should form the basis of the work programme for scrutiny. These three streams are: -

1. The Corporate Recovery – having oversight over the Council’s Improvement Plan and the delivery of the budget.
2. Ensuring that scrutiny understands and acts on the impact that strategic risks may have on the delivery of the Renewal Plan
3. Supporting local people and keeping them safe

The first two of these priorities were used to underpin the work programme for the Scrutiny and Overview Committee throughout 2021-22. This has meant the work of the Committee had been primarily focussed on the delivery of the Croydon Improvement Plan and both the delivery of 2021-22 budget and the development of the 2022-23 budget. Within this area of scrutiny there was a focus on ensuring that both the corporate and political leadership of the Council had ownership of the delivery of the Improvement Plan and the budget, along with an understanding of the key risks to delivery. The third work stream, supporting local people and keeping them safe, was used as the basis for the work programmes of the three Sub-Committees.

What follows below is a short summary of the highlights from the year, but for those who are interested to find out more, full sets of agendas and minutes for each meeting can be found on the Council’s website at the following link [Scrutiny & Overview Committee – Agendas & Minutes](#)

## **Budget Scrutiny**

Although the Scrutiny & Overview Committee first considered a report on the setting of the 2022-23 budget at its meeting on 7 December, the Committee had prioritised monitoring the delivery of 2021-22 budget early in the year. The Finance Monitoring Reports prepared for Cabinet were also regularly scheduled for consideration at meetings of the Scrutiny & Overview Committee. This allowed the Committee to identify areas of risk that it may wish to scrutinise in greater detail and provided reassurance on the financial controls of the Council.

In advance of the first budget scrutiny meeting on 7 December, members of the Committee received two training sessions delivered by the Centre for Governance and Scrutiny on best practice for budget scrutiny. On 23 November 2021, the Committee also received a briefing from the Council’s Section 151 Officer on the key budget principles and the approach to setting the budget.

At the Scrutiny & Overview Committee on 7 December consideration was given to the 2022-23 Budget and the Three Year Medium Term Financial Strategy report. From the discussion of the Committee, a number of areas were identified for further investigation such as the programme management capacity of the Council to manage the delivery of the budget and the Council’s financial monitoring systems. In order to gain assurance on these issues the Scrutiny Chairs met with officers

informally between meetings, reporting back their findings to the meeting on 20 January 2022.

From these informal meetings there was reassurance that the Council had experienced staff in both the Programme Management Office (PMO) and the Finance Service who were able to deliver the improvement required to ensure the financial sustainability of the Council. There remained a concern about whether there was sufficient capacity within the wider corporate services, given the scale of the challenge to be delivered. To investigate this further, the capacity within the corporate centre was reviewed at the Committee meeting on 20 January 2022. The three scrutiny Sub-Committees (Children & Young People, Health & Social Care and Streets, Environment & Homes) each had a briefing on the budget proposals for their areas of responsibility in the week of 29 November. From these meetings the Sub-Committee's identified key areas of risk to review at their meetings in January/February.

The Chairs of the Sub-Committees reported back the findings from the budget challenge items to the main Committee at the meeting on 1 March 2022. In the main, there had been a large amount of reassurance taken that both Cabinet Members and officers had a good understanding of the potential risks to their budgets. The savings proposed had been subject to robust testing through the Star Chamber process and as such there could be confidence that what was proposed was deliverable. However, it was agreed that the items identified would be monitored by the respective Sub-Committee's in the forthcoming year as these remained key risks in the delivery of the 2022-23 budget.

Taking account of the evidence heard by the Committee at its previous meetings and from the discussion at the meeting on 1 March 2020, it was agreed that significant weight could be given to the Section 25 report of the Section 151 Officer and the robust advice provided in the report was welcomed. The Committee was pleased to note that the preparation of the report had been coordinated between the previous and the new Section 151 Officers to agree the content.

The Committee welcomed confirmation that the 2021-22 budget was currently projecting a slight underspend at month 9, which could be seen as a reason for greater confidence in the Council's ability to deliver the £55m savings required in 2022-23 budget. However, there should be no underestimation of the scale of the challenge facing the Council in the forthcoming year, which was even greater than the one in 2021-22.

The Committee felt that the political and corporate management of the Council had a good understanding of the key risks to the 2022/23 budget, which are outlined within the report. It was agreed that the risk relating to the accounting treatment of Croydon Affordable Homes was significant and in the worst-case scenario could derail the Council's budget for 2022-23 and even result in the need for another Section 114 notice to be issued due to potential financial impact should there be a negative resolution. However, a level of reassurance could be taken from the Section 25 report that this risk could be managed if appropriate mitigation was put in place. Given the volatile world economy, the Committee highlighted that potential interest rate increases were likely and as such there was a risk that this would impact upon

the Council's short-term debt. It was agreed that this should be considered a risk to the delivery of the budget and the Committee requested that a hedging strategy is developed to manage this risk and minimise the cost of increased interest payments.

The Committee agreed that it was prudent for the Council to have budgeted 5% for the potential cost of inflation in the forthcoming year. However, there was also a realisation that inflation could rise even higher, with the impact of the war in Ukraine not known at this stage. As such it was agreed that managing the impact of inflation was likely to be one of the key risks to the delivery of the budget and requested to be kept informed of any changes to the risks identified in the Section 25 report. The Committee also recommended earlier engagement by the Council on the budget setting process, which should be a year round process, and would provide more opportunities for councillors and the public to engage in in the formation of future budgets, before choices are locked in.

The Committee welcomed the continued drive to increase the level of ear marked and general fund reserves held by the Council. It was agreed that this should continue to a priority in future budgets to ensure that the Council was in a strong position to manage any future, unforeseen risks.

Overall, the Committee concluded that there had been a robust process to set the budget and that the budget proposed reflected the two priorities identified by residents, which were adult and children's social care and prioritising services for the most vulnerable.

### **Brick by Brick and the Fairfield Halls Redevelopment**

During the year the Committee had a number of opportunities to look at operation of the company set up by the Council to deliver new housing, Brick by Brick. This included the project to redevelop the Fairfield Halls venue by the company. The first report considered by the Committee was a call-in request at its meeting on 27 May 2021 concerning the accounting treatment of the cost for the redevelopment of Fairfield Halls and the proposal to treat the cost as a capital expenditure of the Council rather than a loan to Brick by Brick.

It was accepted that given the Council had received advice from both CIPFA and its external auditor, the accounting treatment proposed was the correct course of action. However, there was a concern about the risk of future cost to complete the work at Fairfield Halls that the Committee recommended was kept under close review. There was also concern about the historic management of the project and how its budget increased from £30m to £69m, but it was accepted that this was subject of a review by the Council's external auditor, Grant Thornton, which would report its findings in due course.

The next report considered by the Committee was at its meeting on 6 July concerning the future of Brick by Brick. This report was presented to the Committee for comment prior to a decision being taken on the recommendations by the Cabinet. The Committee was largely supportive of the proposal to wind down the company while completing any develops already underway to maximise the potential return to

the Council. It was agreed that the information produced quarterly for the Cabinet on the progress with managing the wind down, would also be shared with the members of the Scrutiny & Overview Committee to ensure there was continued scrutiny oversight of the process.

The Committee next had an opportunity to look at Brick by Brick at its meeting on 17 August 2021, when it considered a call-in request on the Cabinet decision to novate the building works and professional services contract from Brick by Brick for the redevelopment of Fairfield Halls back to the Council. The consideration of the call-in raised several concerns, particularly about the historic management of the redevelopment of Fairfield Halls by Brick by Brick, although it was concluded that this was not a material consideration for the call-in.

It was concluded that bringing the contracts back within the control of the Council would ultimately help to safeguard the risk to the public purse and allow the outstanding work to be completed on the venue. As such it was agreed that the Cabinet decision should be implemented as intended. The discussion of this item did raise renewed concern for the Committee about the availability of information to scrutiny to carry out its function effectively and has led to the development of the Access to Information Protocol.

At its meeting on 1 February 2022, the Committee had the opportunity to provide feedback on the action plan created in response to the Report in the Public Interest issued by the Council's external auditor, following its review of the redevelopment of the Fairfield Halls project. The Committee was generally supportive of the proposal set out in the action plan and recognised that it would need to be revisited in the coming year to ensure the delivery was progressing as expected.

## **Community Safety Strategy**

At its meeting on 7 September 2021, the Committee had the opportunity to undertake pre-decision scrutiny of the new Community Safety Strategy. In the lead up to the meeting, the members of the Committee had held a series of meetings with the partners in the Community Safety Partnership to get an understanding of their role in the development of the strategy and to inform the Committee's scrutiny of the proposals.

From the work it had carried out on advance of the meeting and its discussion at the meeting itself, the Committee agreed that it was strongly supportive of the broad themes identified for the strategy. However, it was acknowledged that it would be a challenge to translate the strategy to an operational level that made a difference to the public in Croydon.

The Committee was satisfied that there was evidence to indicate there was strong partnership working amongst the partners in the Community Safety Partnership and was encouraged that there was an acknowledgment of the importance to the delivery of the strategy of having both measurable and achievable targets. It was agreed that the Committee would look to review the Community Safety Strategy after twelve



months to ensure that it was having the intended impact and that the targets were effective in managing delivery.

### **Call-In Requests**

In addition to the two call-in requests already mention concerning Brick by Brick, the Committee also considered two other requests. The first was at the meeting held on 20 September 2022 and concerned the disposal of the former CALAT site in Coulsdon to the NHS.

Although the Committee concluded that the provision of a Medical Centre on the site by the NHS would be a benefit to the local community, and the decision should proceed as expected, there was concern raised about the asset disposal process in general. This led to a recommendation on the need to ensure Ward Councillors were kept informed of local asset disposals as this would help to manage the communication with the local community. The Committee also concluded that the process of asset disposals needed to be more transparent and recommended that future reports on disposals be expanded to include the business case, an assessment of the potential risks and an assessment of the impact on the local community.

The other call-in request considered by the Committee was at the meeting on 18 January and concerned the decision to introduce the Croydon Health Neighbourhoods scheme in the borough. From its consideration of this request, the Committee had concerns about the available capacity within the Council to administer the schemes proposed effectively but were reassured that this had been accounted for in budget.

The Committee also recognised there was a need to ensure that the benefits and outcomes from the schemes were properly communicated to the public in order to provide reassurance. Overall it was concluded that the proposed Healthy Neighbourhood Schemes were in keeping with the Council's wider policy objectives and as such it should proceed as intended.

## Children and Young People Scrutiny Sub-Committee

The Children and Young People Scrutiny Sub-Committee scrutinises key issues affecting children and young people in the borough as well as the services provided by the Council and its partners. It has the power to scrutinise the functions of the Council as a Local Education Authority and examine the Dedicated Schools Grant on a yearly basis.

You can view the agendas, reports and minutes of this Sub-Committee by clicking on the link: [www.croydon.gov.uk/meetings](http://www.croydon.gov.uk/meetings)

### Membership



**Councillor Robert Ward**  
(Chair)



**Councillor Sean Fitzsimons**  
(Vice-Chair)



**Councillor Sue Bennett**



**Councillor Jerry Fitzpatrick**



**Councillor Bernadette Khan**



**Councillor Shafi Khan**



**Councillor Ola Kolade**



**Councillor Louisa Woodley**

**Josephine Copeland**  
Teacher Rep

**Elaine Jones**  
Catholic  
Diocesan Rep

**Paul O'Donnell**  
Parent  
Governor Rep

### Service Updates, Budget Impact and Early Help, Children's Social Care and Education Dashboards

The Sub-Committee considered a report at each meeting which provided an overview of service updates from Education and Early Help & children's social care, Budget updates, the Children's Continuous Improvement Plan 2021- 2024 and Early Help and Education Dashboards.

At the Committee meeting on the 14 September 2021, Members queried data presented on the social work team which was displayed as 'Green' in terms of cases

per social worker but with little improvement in performance. It was explained that issues with meeting performance targets on visits was around organisation as in some instances visits could not take place due to difficulties making contact with families; referral numbers had increased in Croydon as well as nationally. Every rereferral case in the month of September 2021 was being reviewed to understand what the nature of new requests were and to check appropriateness of the rereferral, the similarities or differences to the initial referral, the time frame and what was offered to the parents/families initially. Assessment completion figures were below target and some of this was attributed to long term vacancies in the department, with issues around CIN visits being an organisational as well as capacity issue.

The Committee queried what work was being undertaken to address low numbers of referrals to MARAC, in particular as Domestic Violence was a presenting issue in some cases and Members were of the view that monitoring of referrals to departments for adults and children's services was important and beneficial to see if there was improvement overtime. The Committee learned that these issues were being picked up and the Family Justice Centre was part of a Practice week to explore how referrals were being made as it was evident that there was under referring to the service.

Members examined the new model for children's centres and asked what would be done to minimise the impact due to the reduced opening days and times. The Committee learned that there would be some disruption due to the budget and the centre and spokes model. As a Council, clear performance indicators would be set detailing expectation, and this would be conveyed to whoever was successful in the tender and would be used to monitor performance and impact of the new model.

The Committee looked at direct payments care packages and asked what was being done to ensure that these were cost effective and heard that weekly meetings took place to review care packages and that it was important that families were able to exercise control as much as possible on decision making based on their needs. There had been a recent overhaul of the financial systems in place and development of a dynamic purchasing system was in place to ensure that families got the best value for money from provision. Every care package for every child had been reviewed to ensure the best service for all children and to broaden the reach of services that families were able to utilise their direct payments for.

Concern was raised about the percentage of cases closed due to families no longer requiring services, which had consistently been above the 10% target throughout the year. The Committee was advised that some families no longer required support from Early Help because they had engaged with alternative services themselves. The service was managing its waiting list through a duty system, with regular check-ins scheduled with families to ensure their needs were being met. Given it was a demand led service, the Sub-Committee acknowledged that there it could be difficult to achieve some of the targets within the social care system. Given the need to make significant savings within the Service, it was agreed that indicators on the financial

performance of the directorate would be added to future iterations of the dashboard to provide the Sub-Committee with reassurance that budget were being appropriately managed.

### **Covid Response - Emotional Well Being and Children's Mental Health**

At its meeting on 22 June 2021, the Committee received a presentation on Croydon's Covid response and its offer to support the emotional wellbeing and mental health of children and young people. The Committee learnt that face to face contact had been suspended during lockdown, although following reconfiguration, many aspects of these services had been able to continue using online means of access, but that services were slowly increasing the amount of face-to-face contact. It had emerged that some young people preferred online contact and this was still being offered and the advantage of other means of contact such as telephone was that therapists were able to engage with parents or carers which may not have been the case previously.

The Committee queried the wait times for detailed intervention and assessment for young people from mental health services and learned that, following initial assessment, there was a wait time of between seven to ten weeks for ongoing regular counselling and that during the wait period contact was maintained and there was an offer of short-term intervention where necessary. The Committee challenged the length of wait times in a number of areas of service and asked how the budget would impact on post pandemic recovery. Members heard that the majority of funding for CAMHS and mental health was from the Clinical Commissioning Group with some joint contracts which resulted in some funding from the Council, but that there were no mass cuts planned as parts of the Councils reconfiguration. There were several streams that contributed to the situation of the service such as poor pathways, workforce issues and the level of complex needs. Members of the Committee asserted that if substantial reconfiguration of the service was being undertaken, this would require further Scrutiny by the Health and Social Care Sub-Committee.

The Committee commended the support provided to families by schools and the voluntary service and highlighted the importance of services exploring ways to capture and monitor issues that manifested over time, especially those where issues may be manifesting differently due to the unique challenges of the pandemic. It was evident that there was now increased need for services and understanding and that monitoring of need was essential.

### **Refreshed Children's Improvement Plan**

A presentation on the refreshed Children's Improvement Plan was received by the Committee and it was explained that this was a refresh of the Continuous

Improvement Plan that brought together the savings and growth planned over 2021/2024 and the practice improvement priority for Early Help and Children's Social Care, as per the ILACS recommendations from 2020. The plan covered three years with an annual review process through the Children's Improvement Board with a proposal for quarterly reports to the Children's Scrutiny Sub-Committee to look at the progress against the savings as well as the practice improvement priorities.

The Committee challenged how equalities outcomes were ensured and captured for children and families and learned that this was a point also made by the staff representative improvement board; a meeting would be convened by officers to discuss this point and how to positively promote equality as part of the work being done.

The Sub-Committee welcomed the proposals on a quarterly progress report being included in its work programme but felt that it was clear that further work needed to be done on governance assurance and in strengthening of interface with the Sub-Committee.

### **Addressing Cost, Care and Support for Unaccompanied Asylum Seeking Children**

The Committee received a detailed presentation addressing cost, care and support for Unaccompanied Asylum Seeking Children (UASC) that had been referred to Scrutiny by Cabinet. It was clear that Croydon wanted to take care of all children in need despite the current climate and that some progress had been made in trying to get other Local Authorities to share responsibility for UASC through the Pan London Agreement. Members were unanimous in their belief that funding from central government was not adequate, in particular for the 18–25-year-old group. The Committee considered the need to reduce the number of UASC children in Croydon and the funding gap. Solutions were being sought for both issues and a decision would have to be taken to reduce the pressure on Croydon as the issues presented a number of complexities.

Members welcomed additional funding from government but were of the view that revisions to the National Transfer Scheme would need to be judged on whether it was effective in addressing the issues facing Croydon. There were still serious concerns regarding the level of funding received from government which was not enough to support and provide services for UASC and, mainly, the resulting disproportionate number of Looked After Children in Croydon due to the large number of former UASC.

### **Antenatal and Health Visiting Visits**

At its meeting on 2 November 2021, the Committee received a presentation and update on Antenatal and Health Visiting Visits. Members heard that in order to provide reassurance despite the backdrop of challenges, that the action plan for 2021/22 was deliverable, a development plan was in place that was being monitored on a monthly basis. If it was identified that the service was not where it needed to be, the plan would be reviewed with further actions put in place where necessary. The importance of the issue was not underestimated and if changes needed to be made, they would be where appropriate. The Committee learned that the main challenge was in workforce availability which was essential in the ability to drive forward change and meet targets and that the service was now back to conducting face to face visits and no longer doing video consultations which were put in as a measure during the height of the pandemic.

There had been instances where visits had not taken place as whilst the service always strived to offer and undertake visits, parents were able to exercise the choice to not have one despite it being mandated. Some families chose not to engage and unless there were safeguarding issues, which would trigger separate protocols, they could not be made to accept a visit. In order to maintain oversight over performance, the associate directors would have monthly meetings with commissioners and quarterly with directors. There would be a clear expectation for through discussions on data, improvement and what needed to be done if not achieving as expected.

The Committee noted that staff had been working tirelessly under extremely challenging conditions brought on by the pandemic; their health and well-being was recognised and remained a priority and access to a wealth of support and services including regular supervision with their line manager was provided.

### **Task and Finish Group Final Report: Exclusions and Off-rolling in Croydon Schools**

On 27 November 2018, the Scrutiny and Overview Children and Young People Sub Committee set up a Task and Finish Group (TFG) to investigate and collate data on children coming off the school roll and the mechanisms involved, with a view to reporting back at the Sub Committee meeting on 19 March 2019. The Part One report (“Managed Moves in the London Borough of Croydon”) was received and approved by the Children and Young People Scrutiny Sub-Committee on 2 November 2021 and again in slightly amended form on 18 January 2022. The report came before the Cabinet of Croydon Council on 7 February 2022 where it was discussed and approved.

The Group had identified that there was a huge number of competing demands on school leaders, including the need to be inclusive and keep children in schools. Conversely, market demand required the delivery of good exam results to ensure the high placing of a school’s position in league tables, pulling demand in the other direction. Ofsted had previously highlighted concern nationally that some schools

may be gaming the system through off-rolling pupils that may lower scores. It was understood that there may have been instances of this in some Croydon schools. The review undertaken by the Task and Finish Group had identified [nine key findings](#) and these included that there was an increased number of children attending schools with significant additional need. There was a piecemeal system of schools across the borough which had been exacerbated by academisation, which made it more challenging for schools to cooperate. The key to ensuring inclusion was to get to the root of the problem, which required early diagnosis with additional support required to help manage the transition process between schools at the earliest possible stage.

It could be challenging for parents who wanted to have their autistic child educated in mainstream education as a proportion of schools were not equipped or able to provide for the needs of these pupils. The Group had found examples of schools refusing unannounced visits from the Council, which raised questions about what was happening in these schools. Elective home education was an area of concern for the Group, with it questioned whether the Council had sufficient policy to deliver it. There was also a huge backlog in reviewing home education provision which needed to be addressed. The need to have an increased focus on elective home education had increased following the Government's announcement of local authorities needing to maintain a log of home schools and to ensure these pupils were being suitably educated. The Group commended the excellent team of officers in the borough who were committed to inclusion and who would be tasked with implementing the new guidance.

The final report of the Task and Finish Group was delivered to the Committee on 9 March 2022. Members queried how far back a school could be expected to investigate behavioural issues and whether this would also include the child's parents; it was acknowledged that it could be difficult to identify the root cause of behavioural issues but that there were examples of good practice in some secondary schools in the borough, however, it was important that both primary and secondary schools were able to implement these processes at the right time. There was also a disproportionality in the ethnicity of children being excluded, which needed to be addressed, including revisiting the curriculum to ensure it was relevant for all pupils.

The Committee noted that quiet rooms were being retained and it was agreed that the use of quiet rooms should only be viewed as one of a range of options that could be used by schools and needed to be used in conjunction with other support; a benefit of quiet rooms was the space they provided for the child to reflect, which was part of the road to self-regulation. Members questioned what the Council could do to encourage the sharing of best practice and to support schools with training. It was agreed that there were schools delivering inspiring work that needed to be shared and that it may be beneficial to encourage schools with similar challenges to work in partnership. There also needed to be a system in place to help children and their parents to navigate the system as this could be a significant barrier to the delivery of support.

The Committee commended the quality of the report provided by the Task and Finish Group and acknowledged that navigating the education system could be challenging for parents and as such any assistance that could be provided to help them understand what was available and how it could be accessed was to be encouraged.

### **Children, Young People & Education Budget Scrutiny Challenge**

At its meeting on the 22 March 2022, the Sub-Committee considered a report which provided a response to the three areas within the Children, Young People and Education budget targeted by the Sub-Committee for in-depth scrutiny. The three areas selected were:

1. The review of care packages for children with disabilities aged 0-17.
2. The impact of the reduction in spend on the adolescent service.
3. The funding gap for unaccompanied asylum-seeking children

The Sub-Committee was asked to consider whether the savings identified were deliverable, sustainable and did not present an unacceptable risk. Consideration was also given to whether the potential impact upon service users and the wider community from the savings was understood by the senior management of the service and the Cabinet Member, and that all reasonable alternative options had been explored with no better options available. The conclusions agreed by the Sub-Committee were reported to the Scrutiny & Overview Committee at its meeting on 15 February 2022.

It was acknowledged by the Sub-Committee that the budget position of the Council required difficult decisions to be made and reassurance was sought that reassessments would not lead to an adverse impact upon children or their families. It was confirmed that care packages were continually reviewed and reassessed to ensure the best outcomes for the child were being achieved with efficiency savings required achieved through reviewing service providers, rather than the level of care provided. It was highlighted that many families were opting for the direct payment model, which delivered a saving to the Council. This led to a concern being raised by the Sub-Committee that the direct payment system allowing families to buy their own agency support may not have the same level of quality or consistency required as opposed to the higher quality support acquired using local authority input.

The Committee raised concerns about ensuring that commissioned services met the needs of the community and was reassured that the Service understood the importance of reviewing the provision of commissioned services and had been improving its monitoring processes over several years, which had been reflected in the recent SEND inspection. Additional concerns were raised by the Sub-Committee about the history of overspending within the service, which were acknowledged by officers with it confirmed that financial control had been prioritised over the past year, which had resulted in a much more robust and visible indication of costs being available.



It was acknowledged that the support for vulnerable adolescents presented significant challenges, particularly around higher risk children. These challenges were under constant review, using a multi-disciplinary approach which required careful coordination and continual refinement to ensure that the adolescents needs were being addressed. It was highlighted that the recruitment and retention of staff was an ongoing issue that was mirrored across most local authorities in the country. The decline in the supply of temporary workers was flagged as a potential issue by Members, but officers reassured the Sub-Committee that they were aware of this trend and were working with other authorities to address it. Members questioned how the risk presented by the limited supply of staff was being managed going forward and it was confirmed that the salaries offered by the Council were competitive and transformational change was needed to ensure local staff were being retained; the latest offer had been reviewed to make it more attractive for staff to ensure that expertise were retained.

The Committee asked, that given the actual cost of providing support to UASC had repeatedly exceeded the budgeted amount over a long period of time, whether there was a reserve had been earmarked to manage this risk. It was confirmed that the additional support required for UASC in 2022-23 was estimated to be £2.9m, which had not been accounted for. Although the Government had provided one-off funding in 2021-22, the continued funding shortfall would continue to be raised as a significant challenge to the Council's budget.

Members were of the view that a significant degree of confidence could be taken from the responses given by officers to the questions raised by the Sub-Committee. The three areas remained significant areas of risk to Council budgets and would need to be revisited throughout the year by the Sub-Committee to ensure they remained on track.

### **Education Estates Strategy**

The Sub-Committee considered a report which provided an overview of the Education Estates Strategy for its feedback, before consideration by the Cabinet. The report was introduced by the Council's Director of Education during which comparisons on persistent absences and the work focussed on analysing data were highlighted. Members were advised that it was important to focus on contributing factors, which were being reviewed in greater depth. It was acknowledged that the impact of pandemic had affected the availability of data, however it was noted that schools should be highlighting attendance where persistent absence was an issue. The work focused on addressing surplus school places was highlighted, including an in-depth review of shared resources and exploring opportunities for schools to generate additional income.

The Committee questioned whether there had been any formal discussion with head teachers from both primary and secondary schools about the estates strategy and whether feedback from this had been included in the evaluation. It was confirmed

that there had been discussions with the Schools Forum, Schools Block Working Group and Secondary Head Teachers Meeting. The Sub-Committee welcomed confirmation of the unified approach deployed and it was agreed that a briefing summarising these meeting would be shared with the Sub-Committee.

In response to a question about the support available for schools in danger of not managing their places, it was confirmed that support was provided to individual schools as well as wider conversations on a borough wide level. Members were of the view that the decline in numbers at some schools was a significant risk and questioned whether there were any radical ideas that could be used to support schools whose excess spaces were above the 5% target. It agreed that there needed to be a greater level clarity around the risks to the Council of schools going into deficit. The Committee learnt that there was a focus on early intervention with schools and reassurance was given that it should not have an impact on the Council's budget. Members supported a study on excess places within the Borough.

### **Croydon Safeguarding Children Board - Annual Report 2020-21**

The Sub-Committee considered the Annual Report for 2020-21 from the Croydon Safeguarding Children Board and were asked to review the report and provide feedback ahead of its consideration by the Cabinet.

Members agreed that it was essential for the Partnership to ensure it was working effectively together in order to avoid duplication but were of the view that further consideration was needed to identify a means of providing evidence in future annual reports to demonstrate the Partnership worked efficiently and effectively together. Reassurance was provided to the Sub-Committee about the commitment of the partners, which had contributed greatly to the ability of the Partnership to plan its work.

The Sub-Committee agreed that the key for next year was to look at how to identify the quality of work that had taken place, and to focus on outcomes rather than just the tasks completed.

## Health & Social Care Scrutiny Sub-Committee

The Health and Social Care Scrutiny Sub-Committee scrutinises the work of local healthcare organisations and social care services provided to adult residents of the borough. It also, in conjunction with neighbouring local authorities, investigates and responds to emerging health and social care issues and changes affecting more than one borough.

You can view the agendas, reports and minutes of this Sub-Committee by clicking on the link: [www.croydon.gov.uk/meetings](http://www.croydon.gov.uk/meetings)

### Membership



**Councillor Sean Fitzsimons**  
(Chair)



**Councillor Richard Chatterjee**  
(Vice-Chair)



**Councillor Alison Butler**



**Councillor Steve Hollands**



**Councillor Toni Letts**



**Councillor Andrew Pelling**

**Gordon Kay**  
Healthwatch Croydon  
(Non-Voting)

**Yusuf Osman**  
Croydon Adult Social  
Services User Panel  
(Non-Voting)

### Covid-19 Vaccination Uptake - Residents in Care Homes and Care Staff in all settings

At its meeting on 11 May 2021, the Sub-Committee considered an update provided by representatives from health and social care on the response to the Covid-19 pandemic in the borough. This item was included on the agenda for the Sub-Committee to seek reassurance that the pandemic response was being appropriately managed and covered the Elective Recovery Programme; Diagnostic Recovery; improving access to cancer services; primary care; an update on the vaccine programme; Croydon Vaccination Equity Task and Finish Group.

Members were informed that Croydon had been below the London average for Dose 1 of the vaccine and that a report was being prepared to look at reasons for the lower take up amongst care home staff in Croydon. The Sub-Committee queried the disparity in the take up of the vaccine and noted that many of the vaccination issues could be seen as a reflection of the health inequality in the borough. Although the vaccination rate for care home residents was high, there was concern raised about the comparatively high level of staff who had not been vaccinated. It was questioned what the Council could do to encourage the take up of the vaccine amongst care home staff and Members were advised that it was the duty of care home providers to encourage their staff to receive the vaccine.

The Sub-Committee queried whether lessons had been learnt from other authorities who had higher rates of vaccinations take up amongst care home staff and it was confirmed that learning from other boroughs was being used to inform the Council's approach, including through Croydon's involvement with the Strategic Care Group. Concern was raised about domiciliary care workers without the vaccine who were visiting people in the homes. It was advised that the use of PPE had been and continued to be a priority in domiciliary care. There had been a lot of work with domiciliary care providers to ensure workers were using PPE correctly and supplies were available as needed.

### **Overview of the 2021-22 Adults Budget**

The Sub-Committee considered a report on the 2021-22 budget for Adult Social Care. The information was provided to allow the Sub-Committee to form an opinion on the deliverability of the savings proposed and to reassure itself that there was sufficient oversight and control of the budget.

Members asked whether the Council's IT systems were sufficient to allow effective budget monitoring and heard that there was a new monthly monitoring process in place, along with a new system, which made budget monitoring more effective. The new system was still being embedded within the service, but so far it appeared to be more user friendly. The Sub-Committee raised queries regarding direct payments and learnt that working group had been set up to manage the direct payment process, including ensuring the availability of clear information and advice as well as tracking it through the system.

The Sub-Committee noted the recent history of overspends on the budget and questioned whether there was sufficient capacity in the Adults budget for 2021-22 which could be used as a contingency for unforeseen circumstances. It was confirmed that movement had been built into the budget, which alongside stringent budget monitoring processes, allowed unforeseen spikes in demand to be identified at an early stage and resources allocated accordingly. Members stated that that the budget would continue to be an area of scrutiny throughout the year and officers

needed to give further consideration to how best to demonstrate they were managing their budgets effectively.

The Sub-Committee asked the Cabinet Member for Families, Health & Social Care how they were monitoring the budget personally and were informed that she met with the Executive Director on a weekly basis to review progress and that she also attended regular meetings with the finance team to discuss the budget. The Cabinet Member had attended staff briefings and highlighted the importance for staff that councillors were visible and took the time to engage. Members asked the Cabinet Member how service users were being engaged and heard that the council worked with the Croydon Adult Social Services User Panel (CASSUP), the Learning Disability Partnership Group and other forums to engage with the views of service users.

The Sub-Committee agreed that the evidence provided about the deliverability of the budget was encouraging, but that it would need repeated scrutiny throughout the year to ensure this remained the case.

### **Overview of the 2021-22 Adult Social Care Financial Performance**

At its meeting on 29 June 2021, the Sub-Committee considered a report and an accompanying presentation providing an overview of the financial performance of Adult Social Care. Members heard that the spend for Adult Social Care was larger than any other Council service, equating to 31% of the total Council budget. Although the service experienced many of the same pressures as other local authorities delivering social care across the country, it was recognised that the cost base was too high locally; all areas of the Adult Social Care budget were being reviewed to bring the service within the available resources, which would mean changing how services were delivered with the aim to reduce the Council activity and expenditure on adult social care to the London average or below by March 2024.

A detailed savings programme had been developed to ensure the savings of £10.7m would be delivered; progress to date had been good, with transformational funding used to provide capacity adding pace to the programme. A robust tracking system had been introduced to ensure that progress on the savings programme could be closely monitored and areas of concern identified at an early stage. The priority area for savings was reviewing care packages to identify spend reduction.

The Sub-Committee queried whether budget holders had a firm grasp of their budgets and were advised that service and team managers met with their respective accountants on a monthly basis to review their budget and forecasting for the remainder of the year, but that Adult Social Care was not a static service and managing the budget required service demand to be managed. There was concern about how the drive to deliver savings would impact upon the care packages provided, with it questioned whether staff would feel comfortable requesting an

increase in package needs, should these be identified. It was highlighted that the Council had a duty of care to its service users and staff were empowered to advocate on their behalf. The Cabinet Member advised Members that she met with the team on a monthly basis to review progress made with delivering the budget; the Cabinet Member also met regularly with Council Safeguarding Leads to discuss any issues.

The Sub-Committee were reasonably reassured by the progress made with delivering the Adult Social Care budget for 2021-22 but agreed that continued monitoring would be needed to ensure this remained the case.

### **Transitions Service**

The Sub-Committee received a report on the new arrangements for the Transitions Service and was asked to consider whether it was reassured that these had been embedded to allow budget savings to be delivered and potential risks to be appropriately managed. The role of the Transitions Service was to work with young people in care as they reached adulthood; responsibility for the service had passed to Adult Social Care from April 2021 and it was projected that the savings targets would be achieved. Members asked how the budget was being managed and heard that budget forecasting took place monthly with the Children's Service to look ahead at potential spend. This allowed the early identification of children with expensive educational arrangements, allowing the service to engage with them to identify alternative options. Monthly budget monitoring sessions took place with accountants who verified that updates were included on the social care system, enabling them to be tracked. Any efficiencies identified would not be entered into the budget monitoring system until they had been verified by the accountants.

Members queried whether parents and carers understood the process and were informed that the service worked with each family on an individual basis to ensure they received good advice and information to guide their decision making. The Committee heard that it was important to listen to the young person and understand their ambitions for their education. The Transitions teams worked with both CASSUP and Parents in Partnership to inform the support provided. One of the key actions for the process was to ensure that link workers were involved with families from an early stage to ensure they were not surprised by the process.

It was agreed that the Sub-Committee had received sufficient information about the new arrangements and the budget for the service, to be reassured they were being effectively managed.

## **Community Diagnostic Hubs**

The Sub-Committee considered a presentation which provided an overview of the plans for Community Diagnostic Hubs in the borough. Community Diagnostic Hubs were part of a national programme providing additional funding to local areas to expand diagnostic services. The main aim of the programme was to reduce waiting times following the pandemic and to make services more available; Croydon had a single site supported by mobile satellite services. Members heard that the process to identify the best option for Croydon was still ongoing, but that it was possible there would be a second site identified through the process. It had been proposed that the existing diagnostic services at both Queen Mary's Hospital and St Hellier Hospital would be enhanced. The Croydon site had not yet been confirmed, but it could go to one of the existing sites such as Croydon University Hospital or Purley War Memorial Hospital or another, to be identified site.

Members asked how mobile services would be delivered and were informed that mobile services were already being provided and with modern technology there was a wide range of diagnostic services that could be provided. As an alternative, services could be offered at static satellite sites, but only on certain days, with staff moving across different sites in the borough. The Sub-Committee raised the issue of health Inequalities in the borough and the fact that certain communities were less likely to access health services; it was asked whether there would be a project to target these groups as part of the work around Community Diagnostic Hubs. Members learnt that engaging with communities was an important issue for the NHS and was larger than the Community Diagnostic Hub programme. There was ongoing work to raise awareness of services and to engage with those community groups who were less likely to access health services, with a whole programme on prevention and early intervention.

## **Health & Care Plan Refresh**

The Sub-Committee considered an update on the process to refresh the Health and Care Plan and it was highlighted that the original plan had been the product of good collaborative working between health and social care partners in Croydon. The Government had requested that the plans be refreshed following the pandemic to aid the recovery of services and to reduce health inequalities. The Health and Care Plan was a strategic document that enabled the One Croydon Alliance to bring forward system specific plans and to test these as a partnership to ensure that they were both affordable and deliverable.

Members raised concerns about the relative lack of engagement in the refresh and questioned whether the priorities would be informed by engagement going forward. The Sub-Committee were advised that as the Plan was implemented, programme boards would be created to guide implementation, including ensuring the Plan met the needs of residents.

The Sub-Committee questioned how health and social care could respond and adapt to address the changing needs of the population and heard that there was a variety of services within health and social care working with under-served communities. An important part of this work was to build contacts with community, faith and youth leaders and engage with them to identify new ways of working.

The Sub-Committee welcomed the refresh of the Health and Care Plan and agreed it was an opportunity to rethink how health and social care worked together to address health inequality in the borough.

### **Croydon Safeguarding Adult Board Annual Report 2020-2021**

At its meeting on 9 November 2021, the Sub-Committee considered the Annual Report for 2020-21 from the Croydon Safeguarding Adults Board. Members questioned how the Board could reassure itself about the performance of unregulated services operating in the borough and heard that these were a concern, but some degree of assurance could be gained through processes which meant care packages were regularly reviewed. The Sub-Committee queried how 'the voice of the people' had been incorporated into the report and were informed that progress had been made in engaging with senior representatives in BAME communities and that Croydon was recognised as being at the forefront of engagement work in London, which included the involvement of representatives from three underrepresented groups and ensuring the experience of people using safeguarding services was captured.

### **Croydon Together - Winter Challenges**

The Sub-Committee considered a report which provided an overview of the work of health and social care partners to ensure the increased pressure on services brought about by the winter and the covid-19 pandemic could be effectively managed. Members asked a number of questions about vaccinations and heard that Croydon Health Services were focussed on persuading staff who had not yet been vaccinated to do so and that communication around increased hand washing would continue to be put out to residents. The Sub-Committee were informed of work done with care homes to encourage the take up of the vaccination and that the council had worked with providers where there were concerns about the vaccine, but there were no homes with a large cohort of unvaccinated staff.

Members queried how Croydon Health Service NHS Trust (CHS) was managing the capacity in its Accident and Emergency (A&E) department at the Croydon University Hospital and learnt that the pandemic made managing capacity more difficult. Capacity issues were also a key reason for ambulance handover delays, although Croydon had been performing better than others in this regard.



The Sub-Committee acknowledged that the health care system was under a lot of pressure and questioned whether this needed to be communicated with the public to manage expectation on waiting times. It was stated that any such message would need to be delivered on a national level and could risk dissuading people from seeking treatment when anyone with a problem should be encouraged to contact the NHS.

Members agreed that there was significant evidence of a high level of coordination between partners in preparation for the winter, but that there were still likely significant challenges. The Sub-Committee were reassured that there had been work with the voluntary sector to prepare for an increase in mental health need as a result of the pandemic.

At its meeting on the 25 January 2022, the Sub-Committee asked if there was any evidence to indicate that people were more hesitant to seek treatment as a result of the pandemic; it was confirmed to Members that the pandemic had seen a level of hesitancy in people presenting but that the level of referrals had remained consistent and the waiting times for both operations and diagnostic services in Croydon were better than other areas in South West London. Members learnt that the number of patients presenting with mental health related issues had increased during the pandemic, which had placed pressure on mental health services.

Members acknowledged that the number of people accessing health care through the 111 service had dramatically increased and questioned if this service was performing as expected. It was advised that the channel shift to accessing healthcare through the 111 service was helping to ensure that people were directed to the right place for their needs. Concern was raised about the number of staff who may be lost from the health and social care system as a result of the vaccine mandate and Members heard that it was still too early this stage to definitively state the potential impact upon services as staff were still making their decisions on whether to take up the vaccination or not. Work continued with staff to understand their reasons for vaccine hesitancy and to provide support to enable them to make an informed decision; not all staff would fall within the scope of the mandate and a panel had been set up to determine which roles were in scope, if this was disputed.

The Sub-Committee agreed that there was significant reassurance provided that the health and social care system had worked effectively together throughout the pandemic, which was reflected in Croydon being seen as a model of partnership working.

## **Scrutiny Budget Challenge: Adult Social Care & Health Directorate**

The Sub-Committee considered a report which provided a response to the budget challenge set by the Sub-Committee concerning the ongoing management of care packages and managing demand in Adult Social Care. Included within the report was the Adult Social Care Strategy which set out the principles for transforming the service and highlighted that Adult Social Care was on track to meet 100% of its savings targets for 2021- 22.

Members questioned how service users would be involved going forward and how they could provide feedback if they were unhappy about a service. The Sub-Committee were informed that people were at the heart of the commissioning process, and that it was seen as essential to feed in the voice of service users, with this principle being a key driver in the commissioning model the Adult Social Care service was working towards; the service also worked with user groups such as the Autism Board and the Croydon Adult Social Services User Panel (CASSUP) to consider how services were commissioned.

The Sub-Committee queried the resiliency of the savings planned and heard that Adult Social Care was a demand led service and as such it was crucial to manage this demand through early intervention in order to support carers. Growth had been built into the budget to account for increased demand and demand management system would be established to ensure there was a realistic picture of the potential cost alongside reviews of historically commissioned services. The budget for Adult Social Care was reviewed within the service on a weekly basis and by the Section 151 Officer and the Chief Executive on a monthly basis.

Members sought reassurance that the correct software packages and financial controls were in place and learnt that two new systems had been introduced and were improving month on month. Another software system was being used as a placement negotiation tool and had already delivered £170,000 of savings from reviewing a minimal number of cases; this would be rolled out to the Children with Disabilities team in future.

It was noted that the Sub-Committee had previously received updates on the need for reassessing the support for learning disabled and as such it was questioned how the Strategy encompassed this work and also tied into other strategies such as the Autism Strategy. Members heard that the Strategy covered all adults and that the Strategy would be able to evolve in order to take account of future changes within the system. The Service was doing a lot of engagement on learning disability services and had ensured the inclusion of learning disability and the transforming care cohort in the Health and Care Plan.

The Sub-Committee concluded that the budget being proposed for Adult Social Care was both sustainable and deliverable, with a commendable focus on working with

individuals to ensure their needs were being met and Members broadly supported the implementation of the Adult Social Care Strategy.

### **Service Recovery and Response During Covid-19 Pandemic & Winter Pressures**

At its meeting on 8 March 2022, the Sub-Committee considered presentations which provided an update on the recovery of services and the ongoing response to the Covid-19 Pandemic and winter pressures. These presentations had been provided to allow the Sub-Committee to understand the current risks to service provision and to seek reassurance that these risks were being managed.

Members commented that the early stages of the pandemic saw an increased loss of life in care home settings, but in subsequent waves Croydon had performed well in this area; it was questioned what lessons had been learnt to achieve this and the Sub-Committee were informed that safeguards were introduced alongside ensuring vaccination rates were as high as possible and this had played a key role in improving resilience to the impact of covid-19. The Sub-Committee discussed the rising cost of living and asked what plans were in place to ensure services could meet increased demands. Members heard that rising cost of inflation had been built into the Adult Social Care budget but that it was not yet known whether this amount would be sufficient. It was likely that people would be coming to social care for the first time and as such it would be important to ensure that good advice and guidance was available at the 'front door'.

The Sub-Committee agreed that areas such as mental health provision and the impact from rising inflation would need to be closely monitored in the forthcoming year. It was also agreed that the Adult Social Care Budget and the impact from delivering the identified savings upon service delivery would also continue to be a priority for Scrutiny going forward.

### **Mental Health Provision in the Borough**

The Sub-Committee considered a report which provided an overview of mental health services in the borough. The report was introduced by representatives from the various service providers in the borough, including the South West London Clinical Commissioning Group (CCG), South London & Maudsley NHS Foundation Trust (SLaM), Child and Adolescent mental Health Service (CAMS) and the Council's Adult Social Care team.

Members noted that the waiting times for Child and Adolescent Mental Health Services (CAMHS) seemed to be high in Croydon and it was questioned whether there was a similar issue in other SLaM localities. It was highlighted to the Sub-Committee that Croydon was the only borough with an Autism Spectrum Disorder (ASD) pathway and it was this pathway that had a significant waiting time but that

work was underway to address the backlog. The Sub-Committee accepted that the backlog was being addressed but agreed that further scrutiny was needed at a later date to be reassured that the plans being developed were being effective.

The Sub-Committee identified staffing as an issue for mental health services and the partners were asked for their assessment of their key strengths and weaknesses. Partnership working was highlighted as a strength with recognition that no one service could address all the mental health need in the borough. It was recognised that the crisis pathway was an area for development and Members acknowledged that it could be challenging to move complex cases on from the Accident and Emergency department to other services.

Members heard that the Public Health team had commissioned a new provider of drug and alcohol services and questioned whether there would be sufficient outreach work to provide support to the street homeless in the borough, including those from Eastern Europe who may not have access to services. It was advised that there would be an expectation on a recourse to public funds approach, which was a challenge in Croydon given it was a location for the Home Office. The resource available for outreach work had doubled since 2019 and was already on the way to meeting national guidance.

The Sub-Committee were of the view that the work of the partners involved in delivering mental health services in the borough was encouraging, although to make a more definitive judgement on the level of support available would require the provision of comparative data with other areas.

## Streets, Environment and Homes Scrutiny Sub-Committee

The Streets, Environment and Homes Scrutiny Sub-Committee has a broad remit. It investigates services and issues relating to housing, public and private transport, Croydon's highways, waste management and environmental issues. In all its work, the Sub-Committee seeks to promote sustainability and to promote the health and wellbeing of Croydon's residents.

You can view the agendas, reports and minutes of this Sub-Committee by clicking on the link: [www.croydon.gov.uk/meetings](http://www.croydon.gov.uk/meetings)

### Membership



**Councillor  
Leila Ben-  
Hassel (Chair)**



**Councillor Jeet  
Bains (Vice-  
Chair)**



**Councillor  
Kola Agboola**



**Councillor  
Jade Appleton**



**Councillor  
Louis  
Carserides**



**Councillor  
Luke Clancy**



**Councillor  
Caragh  
Skipper**

### Investigation into conditions at 1-87 Regina Road and South Norwood

At its meeting on 18 May 2021, the Sub-Committee received a detailed report outlining an investigation into conditions at 1-87 Regina Road, South Norwood and the Housing Service Improvement Plan. Members questioned how long the issues with disrepair at Regina Road had occurred for and were advised that it was one of the first questions that had been asked in trying to uncover what had led to the failings. A resident had advised that issues started in 2017 but that these were not to the extent that had been witnessed more recently with the worst of the disrepair occurring in the winter of 2020; there had also been reports of water leakage through

the electrics of the properties in February 2021. In response to a question on why only a limited conditions survey was carried out in 2017 given the age and nature of the building, officers acknowledged that a more detailed survey should have taken place. Reports on conditions of assets were now being undertaken and would inform future asset management plans.

Concerns were raised on the number of emails that were sent by Councillors highlighting issues that were not acted on. Officers acknowledged that upon investigation, there had indeed been repeated attempts by residents and third parties to communicate their concerns and some of the responses they received were unprofessional. It was evident that there had been a distinct breakdown of relationship between tenants and the staff of Axis as well as the Council and this was being addressed by senior staff. Members asked how performance management of the housing department was being undertaken and were informed that there was now an Executive Director in place who would have oversight on performance.

Members questioned current voids and how this was related to people in temporary accommodation and the Committee were advised that 1.8% of stock were voids, with only half of these ready and available to let with a focus to get all the properties back in use to alleviate the number of people in temporary accommodation. The Committee asked what the challenges were with reletting of properties and learnt that when properties were handed over from the voids team as ready, the properties were placed on the website and advertised for bidding. Following bidding, the person was invited to view the property, they then sign the contract.

The Committee highlighted that the ARK report raised issues in every area of the service and officers acknowledged that it was rare for failings to have occurred in all areas. Members heard that the priority was to address culture, which was one of the key areas that required attention, and included ensuring line of visibility at senior level. Members heard that the Cabinet member had been committed to conducting Estate Walks, with Action Plans having been developed through the information gathered from going out and meeting with residents; however, it was noted that that despite the Estate Walks, these issues would not necessarily have come to light.

Members challenged that at the February 2020 Sub-Committee meeting, it was highlighted that there was already a backlog of repairs and members had been presented with a plan on how this would be cleared. The Sub-Committee had been presented data which reflected that contractually the backlogs were being dealt with but in practice this had not been the case. This was a major impact and disruption on residents and their families' lives with minor and major repairs not being managed well resulting in a severe impact on the wellbeing of residents.

It was highlighted that there were serious concerns regarding monitoring of calls whilst staff were working from home. Calls were not being recorded and this was listed as an issue in the ARK report; officers agreed that one of the actions that had to be taken was to ensure recording of all calls, monitoring of calls through spot

checks and mystery shopping exercises using residents as well as independent people.

Members highlighted the fundamental issues of limited investments on planned maintenance of older stock for a long period of time. The expenditure on homes had reduced in real terms over the last seven years when it should have increased in line with inflation and taken into consideration that the stock was older. A realignment of investment for the Council should come out of the surveys that were being conducted and the Council would need to spend a lot more money on planned maintenance or regeneration. The Committee highlighted that the Council needed to seriously look at the conditions of some of its stock which had been built with a maximum 50-year life span which had now exceeded that time frame.

The Committee asked what immediate actions following the ARK report would be taken to address the culture to improve care, respect and empathy for residents which had been highlighted as a fundamental issue. Members heard that an Action Plan had been put in place and that residents would be listened to, and their responses would form the basis of the Plan; to change culture, unacceptable behaviour would be challenged, working alongside officers with training provided on expected responses. The Interim Chief Executive and the Interim Executive of Housing had met with staff to outline their expectations and the Executive Leadership team was committed to changing culture by challenging behaviour and setting expectations.

### **Housing Improvement Plan and Board**

The Committee received a report which set out the further progress made in improving housing conditions in council blocks at Regina Road and rebuilding the housing service and increasing resident engagement. The report also presented the Terms of Reference for a Housing Improvement Board and provided an update on the development of a Housing Improvement Plan. Members heard that Housing Improvement Board was an independently Chaired Board with its own Terms of Reference with the Membership of the Board being looked at to ensure appropriate reflection of representation of equality and diversity. A number of other blocks had been identified as having damp problems, with two of them being classed a priority and a number of meetings had taken place with residents to talk through issues alongside an analysis of historic allocations.

In assessing what had gone wrong it was acknowledged that there had been serious failings in the system. There were serious lessons that had been learnt and were taken forward as part of the redevelopment of the strategy. The new Housing Improvement Board would hold all aspects of the Council to account, and it would be vital to ensure that all work streams worked in tandem and to identify interdependencies. To address the areas of concerns with the Axis contract as highlighted by the Ark report, several joint workshops with council and contractor

staff at operational level had taken place with discussions on all aspects of the contract, with the ideas captured developed into an action plan that would be fundamental to the Improvement Plan.

Members heard that there were issues with current levels of vacancies as a result of the competitive market across London for experienced Council and Housing Association officers. Contractors had also experienced issues with recruitment as a result of Brexit however were resourced at the level they should be based on the amount of work expected. A Roadshow had commenced that would run till September 2021, starting at high rise blocks with lower levels of engagement in an attempt to create more line of visibility through a targeted knocking exercise to introduce/reintroduce officers to tenants. Members were of the view that there was a lot of work to be done on communication to residents and that the information that had been gathered from them was going into a planned process of work with further work needed around the complaints process.

The Committee heard that through the Housing Strategy, officers had been exploring avenues to identify available resources to drive forward change. A number of Directors from London Councils, housing associations and several other organisations had come forward to feed into the strategy. The Housing Improvement Board would act as a representative tool for tenants and be a positive forum acting as an advisory group to the Council.

The Sub-Committee welcomed the update provided on the emerging housing improvement plan and was assured that this was on the right track and recognised the value of using the work of the Tenants and Leaseholder Panel to feed into the improvement agenda. One of the main areas of concern identified by the Sub-Committee was around communication and engagement and it was felt that more work was needed to ensure both residents and their elected representatives were given suitable notice of any events.

At its meeting on the 15 March 2022, the Sub-Committee noted that the draft Plan had been reviewed by the Housing Improvement Board who had been of the view that it needed to be more accessible and more focussed. The Plan had since been re-drafted to define a number of key outcomes and milestones with metrics in place for monitoring progress. The Plan would focus on five key areas and would be a live document which would have increased input from the Housing Improvement Board. The Sub-Committee were informed that evidence of resident engagement and mapping would be included under one document at a future date and feedback from the Housing Improvement Board had also included a requirement for resident engagement to be captured into the Plan. The Cabinet Member for Homes informed the Committee that a series of task and finish groups and engagement groups were coming together to report to the Housing Improvement Board.

The Sub-Committee raised concerns about trust levels and mechanisms that would allow the Council to foresee future issues; it was noted that the introduction of an IT



system which could provide a better understanding of trust issues was being considered but was still at an early stage. The Sub-Committee heard that individuals not only needed to be heard but also assured that their decisions were delivered and that budgets needed to be devolved further to benefit tenants, with mechanisms bolstered to ensure delivery was as promised. The Sub-Committee felt that culturally there was still a way to go and were of the view that resources and information were key to improvement and needed to be a priority. Members discussed the importance of resident engagement and Members raised concerns about lack of capacity and the chances of this leading to the council being unable to respond to requests. Members heard that capacity was the biggest challenge and were informed of work being done around recruitment.

Members were of the view that officer visibility was important and that resident contact was a key issue; it was agreed that this is one of the milestones and it was noted that face-to-face contact and the structure of frontline managing systems were being looked at. Members asked how Housing Improvement Plan could guarantee that issues raised around Regina Road would not happen again and how escalations could be captured and issues around complaints made clearer for residents. The Committee were informed of the ways in which the council was responding by providing solutions via improved management of repairs, provision of contracts and dealing with complaints.

The Sub-Committee recognised that a lot of work had gone into delivering the improvement plan and improving housing conditions, though this had not happened as quickly as desired. This meant that a number of key milestones in the plan were scheduled for later than the Sub-Committee would have liked to have seen. The Sub-Committee recognised that this was at least in part due to the need to create capacity within the service and Members were reassured that the corporate Programme Office was now playing a full role in helping to manage delivery of the plan.

## **Review of Temporary Accommodation**

At its meeting on the 13 July 2021, the Committee received a report outlining the current temporary accommodation situation in Croydon with an overview including current accommodation costs, related costs and the current budget pressures. The report set the current risks and issues and presented ideas for future actions. Members heard that there were five schemes available, and that fire inspections and fire drills took place on each scheme to ensure that fire safety standards were met.

The Committee noted that there were approximately 2096 families in temporary accommodation and that this figure was similar to neighbouring boroughs. Members acknowledged that there was a threat that with the end of Furlough, there could be a rise in people presenting as requiring Council assistance due to not being able to pay their rents and mortgages. The cost of temporary accommodation had increased

by 10% in 2021/21 and more work needed to be done on improvements to engagement and communication with residents as well as ensuring a robust complaints system.

## **Place Department**

Members received a presentation providing an update on the Place departments Budget, Staff and Service Impact. The Committee learnt that growth on income had been built into the budget in relation to ANPR cameras and that income for enforcement would be a significant increase on previous years. The Committee heard that once motorists started to comply with restrictions, there may be a reduction in projected revenue from penalty charges in areas where ANPRs operated but that this had been built into the model. After the deduction of the cost of running the service, all surplus funds went into the Freedom Pass scheme, and once the surplus exceeded the cost of the Freedom Pass, the Council was required to put the funds into other road schemes.

The council had shifted from a reactive service on maintenance of highways with the budget to deal with reactive maintenance amended to allow for growth to allow for the repairs to be made; the majority of money for Croydon works initially came from the growth fund. The end of furlough and reversal of uplift to universal credit raised concerns for Members and there were a number of strategies that had been put in place by the Council to mitigate this, such as additional funding which had been secured from the DWP to keep Croydon Works operational.

The Committee heard that the development of the Community Safety Strategy would address and target resources to correct areas in the antisocial behaviour teams. Work had been undertaken to ensure that queries were being routed to the right departments to make sure queries were dealt with more quickly and efficiently.

Members concluded that the Place department always achieved savings as required but raised concerns about the impact this was having on the department such as the increase in complaints in some of its service areas and the impact of non-compliance with planning conditions as well as issues with the planning enforcement team resource.

## **South London Waste Partnership Contract**

At its meeting on 28 September 2021, the Committee received a report on the performance of the Council's waste collection and street cleansing contract, identifying areas of service improvement and management of known and emerging risks to the service. A legislative backdrop was also provided to inform the Committee of future challenges and opportunities.

The Committee heard from the Cabinet Member for Sustainable and were advised that the contract was entered into in 2018 for waste collection as well as street cleaning. Veolia conducted 1.8million household waste collections per month, and 2703 miles of streets were cleansed monthly. Recycling rates had improved significantly over the years, and this was attributed to implementing different ways to encourage residents to take ownership and recycle more. A service improvement plan had been put into place following the pandemic to address issues and improve on service delivery. This plan had been impacted by the National HGV shortage issue and growth increase due a growing number of households and increased waste remained a challenge.

The Committee were of the view that a breakdown on street cleansing by borough with similar information on bin collection by borough and missed by ward would be useful. Members raised concerns about reports of poor crew behaviour that had been reported by residents and were informed that there were cameras on vehicles to capture any issues; the Committee welcomed this and felt that it should be publicised. Officers were exploring ways to update the cameras to enable direct feed to the office or live feedback as this was currently not possible.

The Committee raised queries about the shortage of HGV drivers and learnt that agency providers did not have the staff available to provide in this current climate from a backdrop of an already struggling industry. Veolia had been exploring several ways to address the issue such as overhauling recruitment processes and upskilling current staff through a bespoke programme to assist them in obtaining the appropriate licensing. A retention bonus had been provided but prices had to be increased for commercial partners to be able to fund the additional money that was going into recruitment and retention of staff.

Members were informed that there had not been electrical dustcarts available at the time the fleet had been purchased; whilst there were reliable and environmentally friendly fleets coming onto the market, these were extremely expensive. The Committee were encouraged that the current fleet was Euro 6 compliant and heard that whilst technology was changing quickly there was a substantial capital outlay to change the entire fleet and this could only be done every 8 years.

### **Improvements to the Housing Directorate and progress towards a Housing Strategy and review of the Housing Revenue Account**

The Sub-Committee received a report on improvements to the Housing directorate, progress towards a housing strategy, and the review of the Housing Revenue Account (HRA). The report included information on the redesign of the Housing directorate, the directorate's new key performance indicators, the Council's increased focus on resident engagement and progress towards a housing strategy. The report also included an update on the review of the HRA, and improvements to governance.

Members heard that communication with the residents at Regina Road had increased with information now more readily available such as residents being informed of who their caretaker was. Meetings had been held with the Residents Support Group and performance around following-up repairs and communicating with residents on the status of their repairs had improved. The Housing Improvement Plan was being created and included recognition that cultural change was necessary.

It was confirmed that the Housing Improvement Board would review its draft terms of reference at its meeting on 7 December 2021, with the final version presented to the Cabinet for sign-off on 21 March 2022. It was agreed that the terms of reference would be shared with the Sub-Committee.

The Committee raised concerns around the responses to the residents' survey and it was agreed that a detailed breakdown of responses would be circulated; there was a concern that more recent engagement may indicate that the number of people dissatisfied with the service had increased further. It was confirmed that the main points arising from the survey concerned responsive repairs and communication. Work was underway to address these concerns with the Council's contractor for repairs, Axis, who had been issued with an improvement notice. There was a particular concern amongst the Sub-Committee about response times for urgent repairs and it was confirmed that surveys would be undertaken regularly in order to provide qualitative data with which to inform the Improvement programme and to highlight any new areas of concern promptly. Members found that data collection had demonstrated that further recording was required to identify patterns and learned that a new IT system was due to be launched in May 2021 which would provide a database to enable trends to be identified.

There were a number of concerns raised by the Sub-Committee about specific areas, including issues with heating, lack of hot water and expensive bills. It was confirmed that the contractors were working to ensure that these issues were addressed as a priority. Heat efficiency continued to be a problem and would be fed into the Council's asset management strategy work. In response to questions from Members it was ascertained that capacity was a clear barrier to delivering improvement within the Housing Service, but that this was being addressed as a priority. The Sub-Committee agreed there was a need for investment to improve the condition of the Council's housing stock and where the condition of housing fell below the expected standard, action should be taken to resolve the issues as a matter of urgency.

Questions were raised about the redesign of the housing service and how engagement with residents would be improved. It was confirmed to Members that that reorganisation of the Service would be key for delivering improvement and engagement was still ongoing to inform the new structure. Members raised further concerns about vacant Head of Service Posts and were informed of interim processes in place including acting up opportunities for existing staff with permanent

recruitment to these vacancies ongoing. Although Members accepted the interim arrangements, there was concern about how this would impact upon the workload of staff and whether this was manageable given the urgent need to improve the service. It was requested that future reports include comparative data to indicate how the Council was performing in comparison with other local authorities.

The Sub-Committee examined an overview of the proposed approach to creating the business plan and commented that lobbying for 100% right to buy receipts should be taken forward and on the importance of meeting the deadline for the HRA business plan being brought to Cabinet in March 2022.

### **Budget Scrutiny Challenge**

At its meeting on 1 February 2022, the Sub-Committee considered a report which provided information on three specific budget areas identified for scrutiny as part of the budget setting process; these were:

1. Independent Travel Service
2. Grounds Maintenance
3. Emergency & Temporary Accommodation

Members heard about the current pressures on the Independent Travel Service, in particular, the increased demand for the service of special education needs travel. There was a statutory requirement for the Council to provide appropriate travel for students with special needs, the cost of which was increasing due to inflationary pressures and the individual pressure around high-cost routes due to the needs of students also needed to be managed. The Sub-Committee queried whether work had been carried out to explore the possibility of forming sub-regional partnerships for SEND transport and it was confirmed that these type of arrangements were in place and other options for optimised efficiencies were being explored.

In response to a question about whether taxis were used for multiple drops, the Committee were advised that consideration was given to a variety of different ways of providing transport to ensure the service was optimised to deliver the best efficiency. It was advised that the cost of using the Council's in-house provision equated to approximately £3,000 per pupil per year; the cost for external providers was higher, equating to approximately £10,000 per pupil per year. The Committee raised questions about travel trainers and heard that there was no plan to increase the current number of travel trainers and those in post were working towards clearing the backlog. The Sub-Committee discussed the potential risks to the independent travel budget and noted that there was not currently an earmarked reserve in place. Members were of the view that consideration needed to be given to possible demographic or other pressures in order to manage these risks.

The Sub-Committee heard that the growth proposal for Grounds Maintenance would reintroduce some of the funding that had been removed in the previous year's budget, and that this would allow the ground maintenance service to return to a more sustainable and manageable level; it was highlighted that the previous budget reduction had impacted upon service delivery. Members questioned whether officers were confident that skilled seasonal workers could be recruited and were informed that this should be possible with reassurance given that the procurement of new equipment was underway and available as required. It was advised that the investment in the service would provide direct benefits for residents but it was questioned whether the proposals were as ambitious as they could be. It was highlighted to Members that for the purpose of the growth bid was to reinstate funding to allow more frequent cutting and enable the Service to meet its required service levels. It was confirmed that there was a priority for the Service to remain self-sufficient and that this would include working with partners to drive innovation and the commercialisation of existing assets, such as parks.

On Emergency & Temporary Accommodation, Members were informed that a growth bid of £2m had been made to address increased demand within the service. At the same time 15 work-streams had been identified to deliver a net target of £2.5m savings. Members queried risks to the delivery of the budget and were informed that a new IT system was being procured for the service which would assist with the mitigation of risk. Concern was raised about the number tenants recorded as being in temporary accommodation for more than 12 months and the Sub-Committee noted that there would be work to improve performance on the turnaround of void accommodation, which would help to address demand. It was agreed that early engagement and improved processes would be key to helping residents in temporary accommodation move into the private rented sector and that it was essential that staff vacancies within the service be addressed as soon as possible to alleviate capacity concerns.

### **Housing Revenue Account (HRA) Rent Setting and Draft Budget 2022/23**

The Sub-Committee considered report which provided information on the Housing Revenue Account Rent Setting and draft Budget for 2022-23. The decisions set out in the report were considered by the Cabinet on 7 February 2022 and feedback from the Sub-Committee was reported to this meeting. It was confirmed that the proposed 4.1% rent increase was within Government guidelines and similar to the vast majority of other London Boroughs

The Sub-Committee highlighted that it was a risk for the Cabinet to agree the HRA budget without having agreed the HRA Business Plan, as without this it would not be possible to make a judgement on whether the budget was sufficient to deliver the plan. It was acknowledged that it would have been preferable to have the Business Plan in place before the budget, but as it was in the process of being developed, this work had informed the budget. Members stated that other risks that need to be

monitored included the introduction of the new IT system in the service and available staffing capacity to deliver the level of change required.

There was widespread concern across the Sub-Committee about the potential impact the rent increase may have upon residents, and it was highlighted that rents in Croydon were comparatively low to other local authorities and had not increased in the past four years. Members heard that there was a backlog of repairs which needed to be addressed and funding from the increase was needed to provide these services and deliver a balanced budget. Two potential mechanisms for acknowledging the views of tenants were identified by the Sub-Committee. Firstly, it was agreed that the possibility of deferring the rent increase, if only for a short period, needed further exploration to establish whether it would be viable; there needed to be a greater level of engagement with residents to explain why the increase was needed. The Sub-Committee agreed that work needed to be undertaken prior to the Cabinet's consideration of the rent increase to establish whether any deferral of the increase would be viable from both a regulatory and financial perspective.

The Sub-Committee welcomed confirmation that staffing resources within the Service would be reviewed in the forthcoming year, as well as confirmation that there would be an ongoing drive to move towards a more customer focussed culture within the Service. It was agreed that both of these measures, alongside delivering improvement in process efficiency, would help to provide an improved and more efficient service for residents. The Sub-Committee endorsed the move within the Housing Service towards taking a more robust, proactive approach to managing its contracts and was encouraged that there was an intention to move to a similar, proactive approach for repairs.

### **Housing Revenue Account Business Plan**

The Sub-Committee considered a report which provided an early draft version of a report due to be considered by the Cabinet on 21 March 2022, on the 30 Year Business Plan for the Housing Revenue Account (HRA). The Business Plan set out the council's finances over the next 30 years based upon assumptions such as rent levels, and Members were of the view that data held on stock condition showed a substantive backlog of work was required and capital spending could only be increased over a number of years to bring stock up to standard.

Members raised concerns around increased management costs and were informed that the operating service per unit was higher in Croydon than the national average, but that debt per unit was higher. The Sub-Committee requested detail of how these metrics worked and were of the view that it would be interesting to see how this compared to other outer London authorities. The Sub-Committee noted that HRA debt had increased since 2013 and were informed that this was mostly due to acquisitions rather than investment in the existing stock. Members asked if Croydon had the structure and staff in place to ensure that the information was correct and

heard that the review of the HRA budget was done without the Business Plan, which would now address the Asset Strategy; the Sub-Committee were informed that information on capital spending would be going to Full Council in January 2023. Members were of the view that capacity remained an issue and that there was a reluctance to use consultants to undertake the work to alleviate the pressure on staff. It was agreed that capacity had been raised formally and was an operational issue which was being looked into and put forward for expertise to help with the workload. The Sub-Committee heard about proposals to look at how consultants could add value, but that there were certain areas where ownership from within the organisation was vital.

The Sub-Committee discussed issues around delivery of carbon neutrality and costs related to debt and the availability of extra capital funding. Members were of the view that the council's approach to debt was not clear and needed to be included in the report; Members stated that it was important to review the strategic choices that the council had taken and whether poverty, state of repairs and improvement of system stock was considered. Members felt that the stock condition was poor and agreed that more spending would likely be needed in the future.

The Sub-Committee was positive that there was a clear financial model in place and felt that this was a positive outcome of the different services related to housing being brought back together under one directorate but lacked confidence that the service had the required staffing capacity to deliver the works detailed in the plan and was concerned that lack of capacity and necessary skills would impede its delivery.