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| <b>REPORT TO:</b>      | Scrutiny & Overview Committee<br>20 September 2021   |
| <b>SUBJECT:</b>        | <b>CALL-IN - ASSET DISPOSAL: FORMER CALAT COULSDON, MALCOLM ROAD &amp; BARRIE CLOSE SITE (COULSDON COMMUNITY CENTRE)</b> |
| <b>LEAD OFFICERS:</b>  | Sarah Hayward – Interim Executive Director for Place   |
| <b>CABINET MEMBER:</b> | Councillor Callton Young OBE – Cabinet Member for Resources & Financial Governance                                       |

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| <b>ORIGIN OF ITEM:</b>          | This item has been triggered by the call-in of the key decisions (3321RFG) taken by the Cabinet Member for Resources & Financial Governance in consultation with the Leader of the Council on 31 August 2021.  |
| <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).<br><br>Specifically, the Committee is asked to consider whether the decision was taken outside of policy framework, for the reasons set out in the call-in request. |

## 1. EXECUTIVE SUMMARY

- 1.1 The decision taken on the 'asset disposal: former Calat Coulsdon, Malcolm Road & Barrie Close Site (Coulsdon Community Centre)' by the Cabinet Member for Resources & Financial Governance in consultation with the Leader of the Council on 31 July 2021 has been called-in by Chair, Vice-Chair & Deputy-Chair of the Scrutiny & Overview Committee.
- 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
  - **Appendix C** is the Property Disposals as part of the Interim Asset Disposal Strategy Report
  - **Appendix D** is the associated confidential part B report for this item.

## 2. CALL-IN: ASSET DISPOSAL - FORMER CALAT COULSDON, MALCOLM ROAD & BARRIE CLOSE SITE (COULSDON COMMUNITY CENTRE)

- 2.1 The decision taken by the Cabinet Member for Resources & Financial Governance, in consultation with the Leader of the Council, that is the subject of this call-in, was as follows:

*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 of the Council*

*RESOLVED: To approve the disposal of part of the former CALAT site, Malcolm Road, Coulsdon on the basis of the terms set out in Part A and Part B of the report.*

- 2.2 The call-in pro-forma is attached at Appendix A. The decision form was received on 8 September 2021 from the Chair of the Scrutiny and Overview Committee, Councillor Sean Fitzsimons, with the call-in supported by the Committee Vice-Chair, Councillor Robert Ward and Deputy Chair, Councillor Leila Ben Hassel. 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:-

**1. The decision is outside of the Policy Framework in regards the Interim Asset Disposal Strategy agreed this year.**

Officers presented the draft Interim Strategy to Scrutiny and the list of properties that were to be sold. The report stated the following: “Former CALAT Coulsdon, Malcolm Road and Barrie Close site (Coulsdon Community Centre) GF Old CALAT Centre now occupied by temporary residential occupiers acting as guardians. Large former school building with parking. Former BBB site with planning including new health centre. Planning linked to Barrie Close site so both assets need to be sold together to allow relocation of Community Centre”.

Decision is in contradiction of what officers had informed Scrutiny previously.

This disposals fail to meet two considerations set out in 3.1 of the Cabinet report [Interim Asset Disposal Strategy - Part A.pdf \(croydon.gov.uk\)](#) - 18<sup>th</sup> February 2021

3.1 Wider Consideration

- 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

Lack of evidence that the Council has adhere to its policy adopted in February 2021 by Cabinet when it agreed its Asset Disposal Strategy and met the requirement set out in 4.3 of the report in regards the production and sign-off of the business case.

*“4.3 A business case will be prepared and signed off by the Executive Leadership Team (ELT) to allow marketing to commence for the asset. This process will involve early engagement with both ward councillors and the relevant cabinet member to inform them of the proposed disposal. The business case report will include a minimum set of requirements, including:*

- a) A business case summary template*
- b) The financial case for a disposal*
- c) Proposed timing of the disposal*
- d) Confirmation that the asset has been declared surplus*
- e) Confirmation of consultation with ward councillors and cabinet member*
- f) Impact/risks of the disposal – financial, reputational, political, and operational.*
- g) Evidence of an independent valuation to show that best consideration requirements are fully complied with*
- h) A valuation of the asset by an independent RICS Registered Valuer*
- i) A market assessment by a suitably qualified agent familiar with the local market/asset type including recommended method of disposal*

*j) Sign off by the relevant ELT director for the disposal of the asset, where there is no longer a service requirement. This is not to be confused with ELT approval, which is required at a later stage.*

*k) Cost of sales and any budgetary approval required*

*l) Confirmation of deliverability of sale – where required. For example, if staff, public or other consultations are required, they need to have been completed and reported within the business case*

*m) Finance and legal sign off”*

2.4 The outcomes desired from the Call-In is to withdraw the sales of these asset and to carry out a review to see if the original proposals for these Coulsdon Sites to build a new community centre, social housing and a new medical centre can be achieved.

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

- 1) An explanation as to why the original decision for these sites was abandoned.
- 2) A copy of the current business case, the requirement for which was set out in the February 2021 Cabinet Paper.

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

**APPENDIX B** is the Key Decision Notice

**APPENDIX C** is the Property Disposals as part of the Interim Asset Disposal Strategy Report

**APPENDIX D** is the associated confidential part B report for this item.