

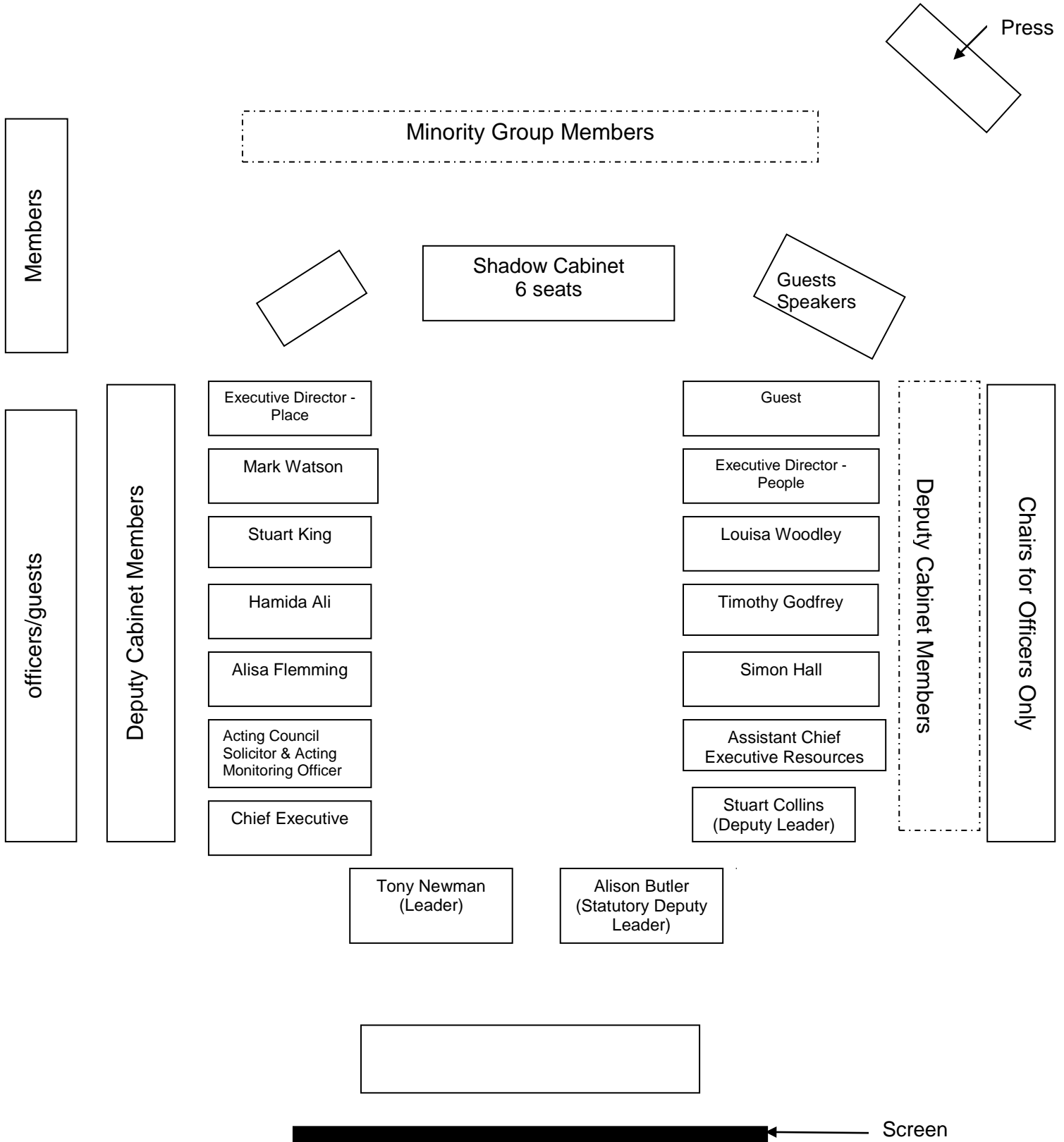


**CABINET
AGENDA**
for meeting on
12 December
2016 at 6.30pm

CABINET – December 2016 - SEATING PLAN

PUBLIC SEATING – PUBLIC GALLERY (70 max)

MEMBERS SEATING – UNDER THE PUBLIC GALLERY (20 MAX)



To Croydon Cabinet Members:

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

Invited participants: All other Members of the Council

A meeting of the **CABINET** which you are hereby summoned to attend, will be held on **12 DECEMBER 2016 at 6.30PM in THE COUNCIL CHAMBER**, The Town Hall, Katharine Street, Croydon, CR0 1NX.

Jacqueline Harris-Baker
Acting Council Solicitor and Acting
Monitoring Officer
Bernard Weatherill House, 8 Mint Walk,
Croydon CR0 1EA

Jim Simpson
Democratic services manager
Tel.020 8726 6000 Ext.62326
2 December 2016

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

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

Group Meetings at 5.45 p.m. as follows:

Cabinet – Room F9, Town Hall

Shadow Cabinet – Room 2.20, Town Hall

AGENDA - PART A

- 1. Apologies for Absence**
- 2. Part A Minutes of the Cabinet meeting held on 14 November 2016**
- 3. Disclosure of Interest**

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

- 4. Urgent Business (If any)**

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

- 5. Exempt Items**

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

CABINET MEMBER: COUNCILLOR STUART KING

- 6. Croydon Area Wide 20 MPH speed limits (Revised Engagement Procedure) (page 11)**
Officers: Shifa Mustafa, Steve Iles, Mike Barton
Key decision: no

CABINET MEMBERS: COUNCILLOR SIMON HALL & LOUISA WOODLEY

- 7. Outcomes Based Commissioning (OBC) for Over 65's – The Croydon Alliance (page 21)**
Officer: Barbara Peacock, Rachel Soni and Sarah Ireland
Key decision: no

CABINET MEMBERS: COUNCILLORS ALISON BUTLER & SIMON HALL

- 8. Real Lettings 2 Property Investment (page 45)**
Officers: Mark Meehan, Laura Jenner, Sara Denton
Key decision: yes

CABINET MEMBER: COUNCILLOR MARK WATSON

- 9. Digital Inclusion (page 55)**
(This item will include videos & a presentation)
Officer: Graham Cadle
Key decision: no

CABINET MEMBER: COUNCILLOR ALISA FLEMMING

- 10. Ofsted Inspection of Croydon Adult Learning and Training (CALAT) on 12 and 13 October 2016 (page 73)**
Officers: Barbara Peacock, Jane Doyle, Jim Austin
Key decision: no

CABINET MEMBER: COUNCILLORS TONY NEWMAN AND SIMON HALL

- 11. Quarter 2 Financial Performance 2016/17 (page 85)**
Officers: Richard Simpson
Key decision: no

CABINET MEMBERS: COUNCILLORS STUART KING AND TIMOTHY GODFREY

- 12. Connect2 – Proposed grant of a way of privilege for cycling in parks in accordance with Croydon’s byelaws (page 109)**
Officers: Shifa Mustafa, Heather Cheesbrough, Ian Plowright, Tom Sweeney
Key decision: no, reserved to Council 30.01.17

LEAD MEMBER: COUNCILLOR SEAN FITZSIMONS, CHAIR OF SCRUTINY & OVERVIEW COMMITTEE

- 13. Stage 1: recommendations arising from Scrutiny and Overview Committee Meeting on 1 November 2016 (page 127)**
Officers: Richard Simpson, Stephen Rowan
Key decision: no

14. Investing in our Borough (standing item)

CABINET MEMBER: COUNCILLOR SIMON HALL

14.1 Investing in our Borough (page 141)

Officers: Richard Simpson, Sarah Ireland, Genine Whitehorne

Key decision: no

CABINET MEMBERS: COUNCILLORS ALISA FLEMMING AND SIMON HALL

14.2 Award of 16+ Semi Independent Accommodation and Support Services Framework (page 147)

Officers: Barbara Peacock, Mirela Lopez

Key decision: yes

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

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

AGENDA – PART B

B1. Part B Minutes of the Cabinet meeting held on 14 November 2016 (exempt under paragraph 3)

CABINET MEMBERS: COUNCILLORS ALISA FLEMMING AND SIMON HALL

B2. Award of 16+ Semi Independent Accommodation and Support Services Framework (exempt under paragraph 3)

Officers: Barbara Peacock, Mirela Lopez

Key decision: yes

CABINET

Meeting held on Monday 14 November 2016 at 6.30 pm in THE COUNCIL CHAMBER, The Town Hall, Katharine Street, Croydon, CR0 1NX.

DRAFT MINUTES - PART A

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

Other Majority Group Members in attendance:
Councillors Audsley, Canning, Fitzsimons, B. Khan, S. Khan, Lewis,
Mann, Mansell, Prince, Ryan, Scott, Wood and Young.

Shadow Cabinet Members in attendance:
Councillors: Bashford, Gatland, Hopley, O'Connell, Perry, H. Pollard
and T. Pollard.

Other Minority Group Members in attendance:
Councillors Bennett, Bird, Buttinger, Clancy and Creatura.

Independent Member: Councillor Kyeremeh.

Also present: Sarah Baker, Independent Chair, Croydon
Safeguarding Adults Board (CSAB) and Croydon Safeguarding
Children Board (CSCB).

Absent: Cabinet: Councillor Simon Hall.

Apologies: Apologies for absence were received from Councillors Simon Hall
and Lynne Hale.

Note: The meeting webcast can be accessed on www.croydon.gov.uk

MINUTES - PART A

A107/16 Tram Accident at Sandilands on Wednesday 9 November 2016 - Minute Silence

The Leader of the Council, Councillor Tony Newman, lead a minute silence in memory of those who tragically lost lives as a result of the Tram accident on 9 November 2016. Councillor Tony Newman, paid tribute and gave thanks to the emergency services, council staff and members of the community for their amazing work in response to the tragedy. Councillor Oliver Lewis, ward member for New Addington, and Councillor Tim Pollard, Leader of the Opposition, also spoke about the accident, sent their condolences to those affected, and paid tribute to the emergency services, council staff, and members of the community for their work. The speeches can be viewed on the meeting webcast.

A108/16 Part A Minutes of the Cabinet meeting held on 10 October 2016

The Part A minutes of the Cabinet meeting held on 10 October 2016 were received. The Leader of the Council signed the minutes as a correct record.

A109/16 Disclosure of Interest

There were no disclosures of interest.

A110/16 Urgent Business (if any)

There were no items of urgent business.

A111/16 Exempt Items

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

A112/16 Devolution to Local Communities

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

REOLVED to note the contents of the report and to approve establishing community engagement pilots in three areas in the borough: South Norwood, Purley and New Addington.

A113/16 Refurbishment of Fairfield Halls - update

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

RESOVED to note the update on the refurbishment of Fairfield Halls

**A114/16 Croydon Safeguarding Adults' Board Annual Report 2015-16
Croydon Safeguarding Children Board Annual Report 2015-16**

Sarah Baker, Independent Chair, Croydon Safeguarding Adults Board (CSAB) and Croydon Safeguarding Children Board (CSCB), presented her report and answered Members' questions.

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

RESOLVED:

1. to note the annual report of the Croydon Safeguarding Children Board and that this report will be scrutinised by the Children and Families Scrutiny Panel;
2. to note the annual report of the Croydon Safeguarding Adult Board and that this report will be considered by the Adult Social Care Review Panel.

A115/16 Annual Report of the Director of Public Health 2016

Rachel Flowers, Director of Public Health, presented her report and answered Members' questions.

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

RESOLVED: to note the information and recommendations outlined in the draft of the Annual Director of Public Health Report due to be published by December 2016.

A116/16 Stage 2 Response to Recommendations Arising from: Children and Young People Sub-Committee Meeting on 14 June 2016: Scrutiny and Overview Committee Meeting on 7 July 2016, Streets, Environment and Homes Sub-Committee Meeting on 22 June 2016

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

RESOLVED: to approve the response reports and action plans attached to the report (at Appendices A-C) and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

**A117/16 Investing in our Borough (standing item)
11.1 Investing in our Borough
11.2 Planned Maintenance and improvements: Electrical Works: Recommendation of Preferred Bidder Status
11.3 Planned Maintenance and improvements: Windows and Associated Works: Recommendation of Preferred Bidder Status**

Agenda item 11.1: Investing in our borough

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

RESOLVED to note: :

1. The list of delegated award decisions made by the Director of Strategy Communities and Commissioning, between 13/09/16 – 12/10/16.

2. Contract awards recommended to the Cabinet for approval which are the subject of a separate agenda item and referenced in section 4.3 of the report.

Agenda item 11.2: Planned Maintenance and improvements: Electrical Works: Recommendation of Preferred Bidder Status

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

RESOLVED:

1. to agree that Bidder A (as detailed in the associated Part B report on the Agenda) is appointed to preferred bidder status to deliver electrical works under a term partnering contract to Council homes for an initial period of 5 years with options to extend up to a maximum period of 14 years, comprising 5 plus 3 plus 3 plus 1 plus 1 plus 1, up to a maximum value of £26m and upon the terms detailed within this and the associated Part B report on the basis that this represents the most economically advantageous tender;

2. Subject to completion of Section 20 Stage 2 Leaseholder consultation, and, if necessary, Stage 3, pursuant to Section 20 of the Leasehold and Tenant Act 1985 (as amended by the Commonhold & Leasehold Reform Act 2002) to agree the subsequent award of the contract for windows and associated works, and its completion, to Bidder A; and

3. to Agree that consideration of the outcome of the Section 20 consultation be delegated to the Director of District Centres and Regeneration. If the consultation outcome raises any significant or material issues then the matter will again be reported to Cabinet for further consideration, but that otherwise that the name of the successful bidder and price will be published further to 2 above.

Agenda item 11.3: Planned Maintenance and improvements: Windows and Associated Works: Recommendation of Preferred Bidder Status

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

RESOLVED:

1. to agree that Bidder A (as detailed in the associated Part B report on the Agenda) is appointed to preferred bidder status to deliver windows and associated works under a term partnering contract to Council homes for an initial period of 5 years with options to extend up to a maximum period of 14 years, comprising 5 plus 3 plus 3 plus 1 plus 1 plus 1, up to a maximum value of £25m and upon the terms detailed within this and the associated Part B report on the basis that this represents the most economically advantageous tender;

2. subject to completion of Section 20 Stage 2 Leaseholder consultation and, if necessary, Stage 3, pursuant to Section 20 of the Leasehold and Tenant Act 1985 (as amended by the Commonhold & Leasehold Reform Act 2002) agree the subsequent award of the contract for windows and associated works, and its completion, to Bidder A; and

3. to agree that consideration of the outcome of the Section 20 consultation be delegated to the Director of District Centers and Regeneration. If the consultation outcome raises any significant or material issues then the matter will again be reported to Cabinet for further consideration, but that otherwise that the name of the successful bidder and price will be published further to 2 above.

**A118/16 The following motion is to be moved and seconded as the
“camera resolution” where it is proposed to move into part B of
a meeting**

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

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

Part B minutes for agenda items B1 and B2 provided separately

The meeting ended at 8.00pm

REPORT TO:	Cabinet -12 December 2016
AGENDA ITEM:	6
SUBJECT:	Croydon Area-Wide 20mph Speed Limits (Revised Engagement Procedure)
LEAD OFFICER:	Shifa Mustafa Executive Director - Place
CABINET MEMBER:	Councillor Stuart King Cabinet Member for Transport and Environment
WARDS:	Broad Green, Coulsdon East, Coulsdon West, Croham, Fairfield, Fieldway, Heathfield, Kenley, New Addington, Norbury, Purley, Sanderstead, Selsdon & Ballards, Shirley, Waddon, West Thornton
CORPORATE PRIORITY/POLICY CONTEXT:	
<p>This project addresses the corporate policies adopted in the Corporate Plan 2015-2018 to enable Growth, Independence and Liveability. This report helps address the Liveability strategy of the Plan with particular emphasis on the Transport vision to:</p> <ul style="list-style-type: none"> • Implement the 20-year Transport Vision to improve safety and access for all road users, particularly pedestrians, cyclists and people travelling by public transport. • Implement an area-wide 20mph maximum speed limit scheme across Croydon, on an area by area basis, subject to public consultation in each area. 	
AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:	
<p>As part of Ambitious for Croydon, there are plans to improve the way that the council delivers on its roads and transport agenda, including :</p> <ul style="list-style-type: none"> • Introducing 20mph speed limits to all roads except major through routes and those where there are proven reasons for them being impracticable. • Improve safety for cyclists and pedestrians. Ensure that these policy initiatives are embedded within the developing Transport Vision. 	

FINANCIAL IMPACT

The cost of implementing an area-wide 20mph speed limit across the three remaining areas in the borough of Croydon is estimated to be £300,000 / area. The cost of this proposal is met from TfL funding secured through the annual Local Implementation Plan (LIP). If the recommendations in this report are agreed the council will be able to save £10,000 per area and £30,000 in total for the remaining schemes in the project.

KEY DECISION REFERENCE.: Not a Key Decision

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

1. RECOMMENDATIONS

That Cabinet:

- 1.1 Agree that the processes previously agreed by Cabinet in March 2015 (Min reference A39/15) and used by officers to engage residents/businesses in parts of Croydon for a maximum 20mph speed limit be replaced so that the Council proceeds directly with a statutory consultation without a prior 'opinion seeking survey' in the area affected for the reasons set out in this report.
- 1.2 Delegate to the Cabinet Member for Transport and Environment the authority to decide in consultation with the Executive Director of Place the network of roads which are to remain unaffected by the maximum 20mph speed limit proposal prior to the statutory consultation.

2. EXECUTIVE SUMMARY

- 2.1 The council has made a commitment to seek the introduction of area-wide 20mph speed limits across the borough so as to improve road safety through a reduction in the number of injury collisions, to encourage walking and cycling, and thereby make a positive contribution to improving health and tackling obesity, to improve accessibility and reduce congestion, and improve the local environment, quality of life and community cohesion.
- 2.2 This report details the reasons for a change in the previously approved community engagement procedures which Cabinet approved following the cabinet report dated 16 March 2015. This recommendation is for cabinet to agree a revised simpler procedure, which will be used in the remaining part of the borough which is yet to be consulted for the 'Croydon area-wide 20mph speed limit proposal' (see plan attached as Appendix A).
- 2.3 This report identifying the need to remove the 'opinion seeking surveys' for the remaining three areas of Croydon's area-wide 20mph speed limit proposal is made to Cabinet as it was Cabinet that had approved the previous procedure via the Cabinet report dated 16 March 2015.

3. DETAIL

3.1 BACKGROUND INFORMATION

- 3.1.1 On 16 March 2015, cabinet considered an officer report titled 'Croydon Area-Wide 20mph Speed Limits' which discussed details of the council's proposal to introduce a maximum 20mph speed limit in residential roads throughout the borough. The report at appendix B attached a map showing the borough broken down into five areas. Each area was to be engaged twice, through an 'opinion seeking survey' and then by a statutory consultation before the Traffic Management Advisory Committee (TMAC) makes its recommendation to the Cabinet Member for Transport and Environment that the Traffic Management Order/s should be made. The timetable for completing the consultation processes for all five areas in the borough was anticipated to be March 2018.
- 3.1.2 Cabinet agreed to the community engagement process (opinion survey) as laid out in the 16 March 2015 cabinet report and that the statutory consultation process would commence thereafter only if sufficient support from residents was established from the opinion surveys. The 'opinion seeking' process for area one was carried out in May/June 2015 followed by the statutory consultation in Nov/Dec 2015. This process was repeated for the second area with the start of the 'opinion seeking survey' in April/May 2016 and the statutory consultation in July/August 2016. Approval from TMAC to make the Traffic Management Order for area 2 was obtained in October 2016. Implementation of the maximum 20mph speed limit for area 2 is likely to be completed by March 2017.
- 3.1.3 From the experience in terms of timescales used in areas one and two, it is clear that the target date of March 2018 to engage and statutorily consult the remaining three areas cannot be met. This report sets out a recommendation to revise the previously used engagement procedures so that officers can ensure that areas three, four and five can be statutorily consulted by the target date of March 2018 as promised by the current administration. In revising the procedure, officers recommend that the 'opinion seeking process' be omitted but the regulatory requirements necessary for a statutory consultation be retained.

3.2 REASONS FOR CHANGING THE ENGAGEMENT PROCESS

- 3.2.1 A statutory consultation is the mandatory process set out in "The Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996" which must be followed before the local authority can set local rules on traffic matters. The statutory consultation process involves the publication of a Public Notice that contains the details of what is being proposed in the form of a document called a Traffic Management Order (TMO). The notice invites anyone wishing to object to the TMO to do so within a set period of time. During a statutory consultation, any person wishing to object to the proposal can do so by providing valid reasons for their objection. The council has a duty to consider all objections and address those which are considered material before it can decide whether or not to implement the TMO. All material objections received on the giving of public notice will be reported to the councils Traffic Management Advisory Committee (TMAC) which will consider them before determining whether or not the TMO can be made.

- 3.2.2 Experience from the 'opinion surveys' carried out with residents/businesses in areas one and two both showed some support from within the areas to the council's proposal to lower the maximum speed limit and therefore the council proceeded with the statutory consultations.
- 3.2.3 From the experience gained from areas one and two, it is clear that there was confusion over the two stage decision making process i.e. opinion survey and then statutory consultation. The revised approach proposed in this report, seeks to remove that confusion by applying a single statutory process without a prior 'opinion survey' for the remaining areas three, four and five.
- 3.2.4 Removing the 'opinion survey' for areas three, four and five will help to ensure that the whole borough is formally consulted on the 20mph speed limit as quickly and efficiently as possible and by no later than March 2018 as was agreed through the Cabinet paper 16 March 2015.
- 3.2.5 It is worth noting that where other London boroughs have introduced area-wide 20mph speed limits, they have all, to our knowledge, carried out the statutory consultation only which provides an opportunity for anyone wishing to object to the change to be able to do so. These boroughs have not proceeded with a prior 'opinion survey' with residents/businesses to determine the level of support for their proposal. In adopting this process, Croydon are aligning ourselves with London-wide practice but maintaining the statutory process as set out in 'The Local Authorities Traffic Order (Procedure) (England and Wales) regulations 1996.

4 PROPOSED PROCESS FOR CONSULTATIONS IN AREAS 3, 4 and 5

4.1.1 CONSULTATION PROCESS

- 4.1.2 The council will publish separate Traffic Management Orders for each of the three remaining areas. As required by regulations the notices will be published in the local paper and in the London Gazette.
- 4.1.3 All properties within the areas will be sent a newsletter/copy of the public notice (relevant to their area) which will inform the property holder about the proposal and how they are able to make objection.
- 4.1.4 The statutory requirement is to allow anyone wishing to object to the proposals 21 days. However it is recommended that a longer period than the minimum required by regulations be given for the three areas. It is proposed that a minimum period of 28 days is allowed for the receipt of objections. During this period the council will also consult other relevant organisations. The consultation period will run during 18 January 2017 till 15 February 2017. The consultation report will be prepared for TMAC to consider following the close of the statutory consultation.
- 4.1.5 Street notices which are relevant to the area will also be placed on site.
- 4.1.6 The council also proposes to ensure that libraries in the area obtain a copy of the order together with the proposal drawing for the public to review.

- 4.1.7 The scheme webpage www.croydon.gov.uk/20mph will contain details of the scheme proposal and inform the public on how they can object if they wish to do so.
- 4.1.8 In order to publicise the statutory consultation, the council's Communications team will carry out the following activities:
- Publish the consultations on the council's Get Involved website
 - Publish on the main website

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2016/17 £'000	2017/18 £'000	2016/17 £'000	2017/18 £'000
Revenue available				
Expenditure	0	0	0	0
Income	0	0	0	0
Effect of decision from report				
Expenditure	0	0	0	0
Income	0	0	0	0
Remaining budget	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital available				
Expenditure	0	300	300	300
Effect of decision from report				
Expenditure	0	290	290	290
Remaining budget	<u>0</u>	<u>(10)</u>	<u>(10)</u>	<u>(10)</u>

1. The effect of the decision

This scheme is funded by Transport for London (TfL) from the Council's 2016/2017 Local Implementation Plan allocation which is allocating £300k per annum over four years. A decision to proceed will result in a saving of £10k per annum/area, subject to successful outcome of the statutory consultations for areas three, four and five. The current year (2016/2017) scheme has already gone through consultation so will not be affected by this decision.

2. Risks

There is a risk that if the current recommendation relating to the change in consultation strategy is not agreed, the remainder three areas in the borough may not all be provided the opportunity for the statutory consultation relating to Croydon's area-wide 20mph speed limit proposal by March 2018.

3. Options

The alternative option to the recommendations in this report is to continue with the engagement and consultation procedures as agreed by Cabinet in March 2015. The above risk would apply if the recommendations made by this report are not approved.

4. Future savings/efficiencies

There is no anticipated direct future savings as a result of this report other than those detailed above. There may be indirect savings within the council and with partner organisations if casualty rates are reduced as a result of implementation.

Approved by: Zulf Darr, Interim Head of Finance, Place & Resources

6 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations provide general consultation and publication requirements. Regulation 7(c) provides that before making an order the authority shall take other steps as it may consider appropriate for ensuring that adequate publicity about the order is given to persons likely to be affected by its provisions.

6.2 As local authority and Highway Authority for the roads within the Borough, has the power under s84 of the Road Traffic Regulation Act 1984 ("the 1994 Act") the Council may make TMO's imposing a 20 mph speed limit. Section 89 of the 1994 Act makes it an offence for the driver of a vehicle to exceed the speed limit imposed under s84.

6.3 The Council also has a duty under s122 of the 1984 Act to exercise its functions (including setting speed limits) to "secure the expeditious, convenient and safe movement of vehicular and other traffic...". Factors that it must have particular regard to are: (a) maintaining access to premises; (b) effect on amenities the area; (c) facilitating the passage of public service vehicles; (d) and other relevant matters. There are also strict requirements on the Council over the erection and maintenance of speed limit signs as set out in the Traffic Signs Regulations and General Directions 2016 which must be complied with. This is particularly important to successful enforcement action

Approved on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Monitoring Officer.

7 HUMAN RESOURCES IMPACT

7.1 There are no human resources implications arising from this report
Approved by: Jason Singh, HR Business Partner on behalf of the Assistant Director of Human Resources.

8 EQUALITIES IMPACT

- 8.1 The Council is proposing the introduction Croydon Area Wide 20mph Speed Limits to improve road safety through a reduction in the number of injury collisions, to encourage walking and cycling, thus making a positive contribution to improving health and tackling obesity, improving accessibility, reducing congestion, improving the local environment, improving the quality of life for all groups (including those that share a protected characteristic) and strengthening community cohesion.
- 8.2 The proposal is likely to improve conditions for all the protected groups and has the potential to ease community severance by aiding the development of healthy and sustainable places and communities. In reducing the perception of road danger the scheme should enable the protected groups to make more and better use of their local streets
- 8.3 The proposal is likely to benefit in particular, certain groups that share a “protected characteristic such as people with a disability, older people and children in providing additional road safety (as pedestrians), whilst in comparison the more able pedestrians would benefit to a lesser degree.
- 8.4 An initial equalities impact assessment has been carried out on this proposal and it is considered that a full assessment is not necessary at this stage, as the changes are likely to benefit a number of groups that share a “protected characteristic” as detailed in the initial assessment. However the scheme if implemented should be monitored as it progresses and if any negative impact on the protected groups is identified, the council will look to address them.

9 ENVIRONMENTAL IMPACT

- 9.1 Road casualty reduction is a Public Health priority. It is anticipated that the reduction in speed limits to 20mph in residential and commercial areas will help to reduce collisions and the severity of the outcome of some collisions. It is estimated that over 95% of pedestrians involved in a collision at 20mph survive, compared with only 80% at 30mph (ROSPA factsheet). A review of the impact of introducing 20mph zones in London over a twenty year period (Grundy et al 2009) demonstrated a reduction in road casualties particularly amongst young children. It is likely that the scheme will support people to choose more physically active lifestyles by opting to make healthier active travel choices such as walking and cycling which in turn will help to reduce emissions and improve air quality by reducing congestion.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no direct implications arising from the proposals.

11 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The revised consultation procedure meets the minimum regulatory requirements for statutory consultations and will ensure that the council is able to consider the maximum 20mph speed limit for the remaining areas of Croydon by March 2018.

12 OPTIONS CONSIDERED AND REJECTED

- 12.1 The option of continuing with the previously agreed processes of consultations will not allow all areas of Croydon to be consulted for Croydon's area-wide 20mph speed limit proposal by March 2018.

CONTACT OFFICERS:

Mike Barton-Service Manager Highway Improvement ext61977
Waheed Alam-Traffic &Highways Engineer ext52831

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

- 1) **Croydon Area-Wide 20mph Speed Limits** (Cabinet report 16 March 2015).

Report can be accessed from

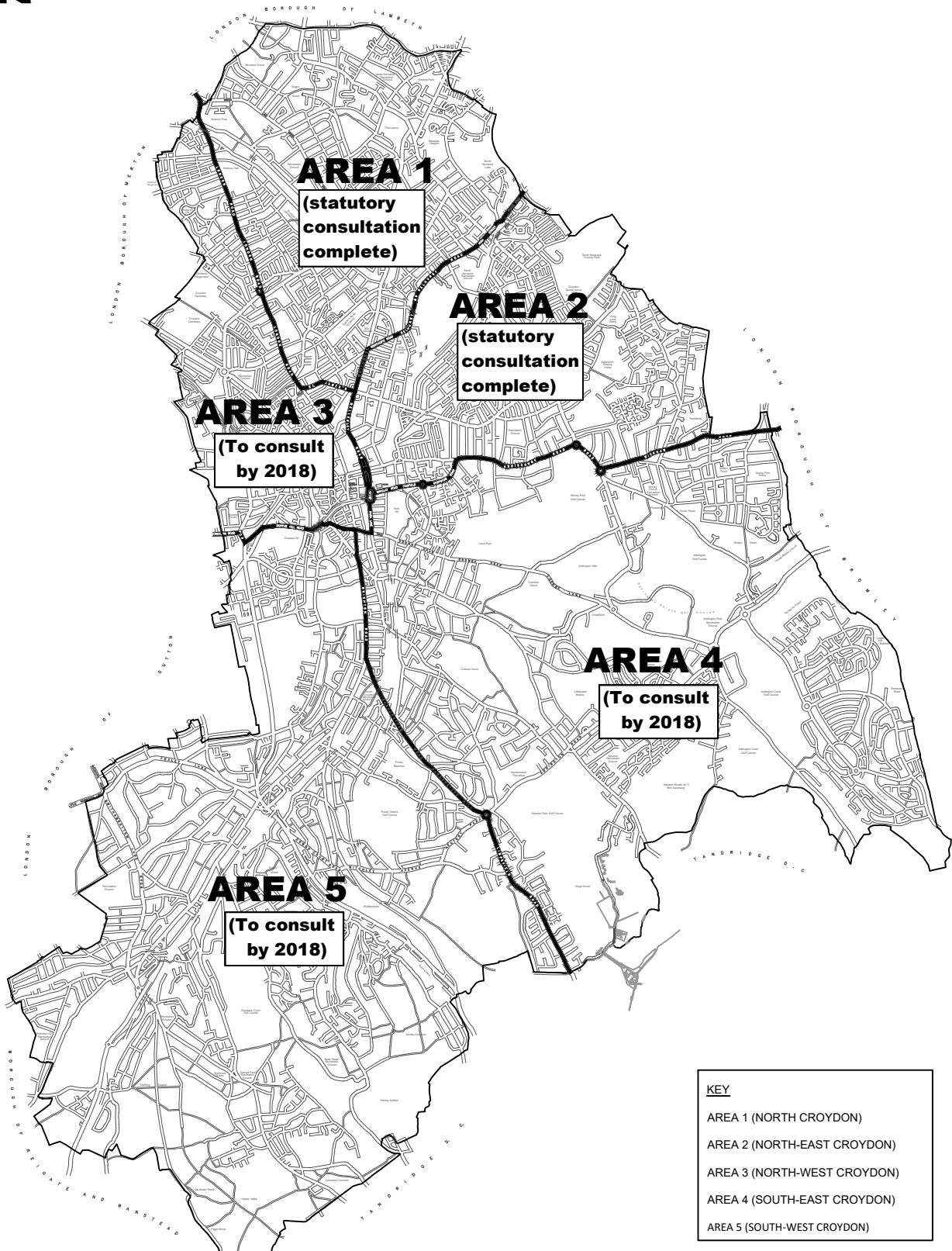
<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kab14.pl?operation=SUBMIT&meet=34&cmte=CAB&grpId=public&arc=1>

APPENDICES PUBLISHED AS PART OF THIS REPORT

Appendix A -



PLAN SHOWING AREAS 3, 4 and 5 TO BE CONSULTED BY March 2018



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JOB NAME CROYDON AREA-WIDE 20mph SPEED LIMIT				PLACE DEPARTMENT STREETS DIVISION DIRECTOR - STEVE ILES		DRAWING NO Appendix A	REVISION -
DRAWING TITLE PROGRAMME OVERVIEW				HIGHWAY IMPROVEMENTS		STATUS -	
DESIGNER WA	VERIFIED MB	SCALE AT A4 NTS	DATE 15/11/16	CROYDON Delivering www.croydon.gov.uk for Croydon			

REPORT TO:	CABINET 12 DECEMBER 2016
AGENDA ITEM:	7
SUBJECT:	Outcomes Based Commissioning (OBC) for Over 65s – The Croydon Alliance
LEAD OFFICER:	Executive Director: Barbara Peacock, Executive Director, People Director/Head of Service: Rachel Soni, Head of Adults, Health & Integration; Sarah Ireland, Director of Strategy, Communities & Commissioning & Pratima Solanki, Director of Adult Social Care and Disabilities
CABINET MEMBER:	Councillor Hall, Cabinet Member for Finance and Treasury and Councillor Woodley, Cabinet Member for Families, Health and Social Care
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Corporate Plan 2015-18</p> <p>Outcomes for Residents of the Borough / CORPORATE PRIORITY / POLICY CONTEXT:</p> <p>The Croydon Alliance Agreement and Contract for Outcomes Based Commissioning (OBC) for over 65s support the Council’s key strategic priorities with regard to promoting and sustaining independence, well-being and good health outcomes for Croydon residents. The outcomes are aligned to Ambitious for Croydon promises:</p> <ul style="list-style-type: none"> • creating growth in the economy, • helping residents be as independent as possible, • and creating a pleasant place in which people want to live <p>OBC integrates health and social care for the over 65s and has a comprehensive outcomes framework that is focussed on improving outcomes for people. Extensive consultation with local people on what outcomes they wanted took place, and they chose the following:</p> <ul style="list-style-type: none"> • Staying healthy and active for as long as possible • Having access to the best quality care available in order to live as I choose and as independent a life as possible • Being helped by a health and social care team that has had the training and has the specialist knowledge to understand how my health and social care needs affect me • Being supported as an individual, with services specific to me • Having improved clinical outcomes 	

OBC brings together a number of recommendations from existing strategies that have been developed, including The Independence strategy 2015-18¹ and Croydon-wide End of Life Strategy 2015² and the emerging Out of Hospital Strategy 2016. The contract for delivery of integrated health and social care will go further than before and takes a pro-active and transformational position. The individual and their family will be at the centre of Croydon's health and care system, ranging from the promotion of good health and well-being, through early intervention and support and, when needed, the delivery of treatment and care services. Croydon's older people and their families should expect to experience seamless, joined- up care and health provision of consistent quality and high standard; services will be arranged around them and their needs, rather than their having to fit in with how health and social care professionals structure or organise services.

FINANCIAL IMPACT

The contractual arrangements for OBC for the over 65s will use a capitated (per head) payment mechanism that incentivises the providers to improve outcomes for the population. This means that the providers will be given a fixed amount (the capitated fee) to cover the costs of health and care from year two for the population rather than being paid directly for activity. The aim is to ensure a financially sustainable economy with a transformed health and care system for Croydon residents.

The contracting options for year one are being defined; that will allow for a transition year to support a secure move to a capitated budget from year two.

The financial projections used to define the Maximum Affordable Budget (c£220m year one; £41m social care and £180m health) have been aligned with 2016 Quarter 3 planning assumptions and models.

The budget includes annual contract inflation, demographic growth and non-demographic growth.

There are defined efficiency savings in the early years of the contract which align with the Council's agreed savings programme plus 5% social care efficiency built in for future years. The financial model projects the 10 year position for the whole system, aiming to demonstrate the 'Do Nothing' scenario against transformation assumptions.

The Croydon Alliance Agreement will set out proportionate risk share arrangements that the Council will share through its position as Provider and Commissioner of adult social care in the Alliance.

KEY DECISION REFERENCE NO.: The recommendations in this report are not key decisions. At the point of awarding the contracts as detailed in this report, this will then constitute key decisions and there will be a requirement for them to be published accordingly.

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

1. RECOMMENDATION

- 1.1 To note the contents of the report and direction of travel for the Outcomes Based Commissioning for Over 65s Programme.

¹ <https://www.croydon.gov.uk/sites/default/files/articles/downloads/Independence%20Strategy%202015-18.pdf>

² <http://www.croydonccg.nhs.uk/news-publications/publications/Documents/End-of-Life-Care-Strategy.pdf>

1.2 Delegate to the Executive Director of People and the Executive Director of Resources in consultation with the Cabinet Member for Families, Health and Social Care and the Cabinet Member for Finance and Treasury the power to make the decisions in two phases set out below:

Phase One

- award of the Alliance Agreement; and
- award of the 'in scope' Service Contract (s) to commence on or around 1 April 2017

Phase Two

- the subsequent inclusion of the fully developed risk and benefit share mechanism into the Alliance Agreement before 31 March 2018

2. EXECUTIVE SUMMARY

2.1 The purpose of this report is to update the Cabinet on the progress of commissioning (with Croydon Clinical Commissioning Group) a 10 year contract to develop an Integrated Health and Social Care system for the over 65s population in Croydon and to also provide Members with the detail about the recommendation to delegate authority to enter into a Croydon OBC Alliance Agreement and award the Services Contracts in scope. As the delegated decisions take place, these key decisions will be published accordingly and further communications issued regarding the development and delivery of the model of care and the contractual arrangements. We would anticipate providing an update report within the next six months.

2.2 Croydon's vision is for all partners (statutory, voluntary & community) to come together to provide high quality, safe, seamless and personalised care to the older people of Croydon that supports them to stay well and independent. Croydon's local residents have specified the outcomes they want to see delivered and commissioners have ensured these are embedded in the outcomes framework that will measure the success of these arrangements over the long term. Engagement of local people who use services is continuing to support the programme and design of Croydon's new models of care.

2.3 In September 2014 Cabinet approved the strategy for the procurement of integrated health and care provision for over 65s using the Most Capable Provider approach permitted under the NHS (Procurement, Patient Choice and Competition) (No.2) Regulations 2013 (2013 Regulations) and to proceed to phase 3 of the 'Improving Health and Social Care outcomes for over 65s programme.

2.4 Evidence and policy to support integration of health and social care systems include:

- The Independent Commission on Whole Person Care ('One person, one team, one system' 2014) that suggested the health and social care system needs to align incentives and performance measures to reward early intervention and prevention and - in the long term – the sustained wellbeing of older people.
- The Five Year Forward View published in October 2014 (the "Forward View") sets out a clear goal that "the NHS will take decisive steps to break down the

barriers in how care is provided between family doctors and hospitals, between physical and mental health, between health and social care”.

2.5 Devolution, announced in the Government’s Spending Review in October 2015 allows local areas to secure more control of their spending, further enabling the integration of health and social care and the subsequent signing of the Devolution Agreement in December 2015. More than 38 cities and regions have submitted bids to government for such powers. The move locally to OBC under the Alliance model, leads Croydon towards a greater ability for a successful bid for devolution, should this be its’ future ambition.

2.6 There are many local challenges in delivering health and social care to the over 65s population including:

- Croydon has both a growing and ageing population, older people represent 13% of Croydon’s total population and this is projected to grow by 10% in the next 5 years. The number of people over 65 living in care homes in Croydon is projected to increase by 24%³, and increasing numbers of people are living with long-term conditions.
- There is great potential for Croydon to improve its performance in terms of care for people over 65.
- People over 65, when compared to the general population, are high users of health (£180M) and social care services (£41M) and currently account for £220M of spend per annum.
- The Council’s Adult Social Care system has significant financial savings targets to achieve as national funding to Local Authorities continues to reduce.
- Croydon CCG and the Croydon Health Services face significant financial deficits, both being placed in financial special measures in September this year by the health regulators, contributing significantly towards a c£60-70m pressure over the whole system.

2.7 The benefits of integrating health and social care through OBC and delivering services for the over 65s population through a whole system include:

- delivers the Council’s Independence Strategy
- supports the Ambitious for Croydon goal of helping residents to be as independent as possible
- a more financially sustainable system for the long-term
- supports the journey to devolution
- shifts delivery from activity to outcomes that people want
- significant system transformation through integration
- maintains local leadership due to ability to work within Croydon’s co-terminus local social and health care economy with one CCG, one Local Authority and one Acute & Community provider.

2.8 Outcomes Based Commissioning and the contracting arrangements set out in this report provide the stepping stones for a different way of delivering services to the residents of Croydon, which could be applied across the wider population. It will bring benefits for the provision of services for over 65’s and learning for the wider system.

³ Croydon CCG Commissioning for Outcomes for over 65s in Croydon, Case for Change, P7

3. BACKGROUND AND RATIONALE

3.1. SEPTEMBER 2014 CABINET APPROVAL SUMMARY

- 3.1.1.** In September 2014 Cabinet approved the progression of the Outcomes Based Commissioning for over 65s process and commencement of the Most Capable Provider Process and noted that a further report would be brought to seek approval to enter into contracts.
- 3.2.** There is a strong case for paying special attention to the group of people who are aged 65 and over. Croydon has a growing and ageing population, placing increased pressures on the health and care system. The total registered population across Croydon CCG's six geographical networks is currently 377,570. Over 65s represent nearly 13% of this population – 47,390 people⁴ and this is expected to grow by more than a fifth in the next 10 years. The pressures on the system from this age group are increasing, and will continue to rise if nothing is done. The number of over 65s living in a care home, for example, is projected to grow by nearly 24% by 2020⁵. A third of this group of people suffer from one or more long term health conditions, imposing significant long term costs on the NHS and Social care to varying degrees. Patients over 65 account for the majority of all hospital emergency bed days, placing a large cost on the system. There is large potential for high rates of emergency bed use by over 65s to be reduced⁶.
- 3.3.** There are also practical reasons for focusing on over 65s as a group. They are a more stable group, with lower rates of migration in and out of the borough. 98% of older Croydon residents are registered with a local GP and so are easy to identify.
- 3.4.** For several years, the Council and CCG have been working in partnership to achieve integration both in commissioning and at the point of service delivery. Recently this has been exemplified in the Better Care Fund (BCF) programme and through the establishment of multi-disciplinary health and social care teams, including the Transforming Adult Community Services (TACS) model. In 2013, to realise further benefits of integration, the Council decided to work with the CCG and commit to a process looking at the whole of the health and social care system for older people. Instead of simply redesigning services and customer journeys, the Council and CCG decided to go back to first principles and ask Croydon people what outcomes they are seeking from the whole system.
- 3.5.** Commissioning for outcomes rather than activity allows services to be delivered in a personalised way, and designed to focus on wellbeing. It enables providers to truly transform care, as it removes existing payment mechanisms that can be barriers to integration. It rewards both value for money and delivery of better outcomes.
- 3.6. Rationale for an Outcome Based Commissioning approach:**

⁴ Croydon CCG Primary and Community Strategy, v3.1

⁵ Croydon CCG Commissioning for Outcomes for over 65s in Croydon, Case for Change, P7

⁶ Imison et al, 2013, 'Older People and Emergency Bed Use: Exploring Variation'. The Kings Fund

- 3.6.1.** OBC puts resources in the right place in the system to maximise value and will deliver outcomes that matter to residents.
- 3.6.2.** Improving health and care services through innovation, collaboration and integration: People, particularly those with long-term or complex conditions interact frequently with health and care services.. OBC improves care to be more joined up across providers and commissioners, providing more consistency in quality of services, as well as being an enabler for whole person care and support.
- 3.6.3.** Realising efficiencies in the system. Outcome based commissioning is based on the premise that there are opportunities to improve efficiencies within the current system. The evidence base from other developed systems (Internationally and in the UK) is showing that capitated and outcomes based contracts with integrated delivery has led to improved outcomes for people and efficiency savings of 10-20% or more, depending on scope⁷.
- 3.6.4.** Croydon Council, Croydon CCG and Croydon Health Services have begun to look at opportunities around health devolution and how this could support Croydon as a place to support delivering against our commitment to our residents. OBC for over 65's fits well with this thinking. .

3.7. VISION

- 3.7.1.** A shared vision has been developed between the Council and Croydon Clinical Commissioning Group for all partners (statutory, voluntary and community) to come together to provide high quality, safe, seamless care to the older people of Croydon that supports them to stay well and independent. People will have a co-ordinated, personalised experience that meets their needs in the context of their family circumstances.
- 3.7.2.** To support this vision, extensive consultation with local people was undertaken to develop the outcomes.
 - Staying healthy and active for as long as possible
 - Having access to the best quality care available in order to live as I choose and as independent a life as possible
 - Being helped by a health and social care team that has had the training and has the specialist knowledge to understand how my health and social care needs affect me
 - Being supported as an individual, with services specific to me
 - Having improved clinical outcomes.
- 3.7.3.** Central to the delivery of the vision is the concept of moving away from counting activity and moving towards realising better outcomes. Improved outcomes are a consequence of effective interventions that build on the individual's strengths and promote personal responsibility. Reducing demand can be achieved by getting it right for the individual the first time; this reflects the Council's Transforming Adult Social Care programme, which aims to manage this process far more effectively, and reduce

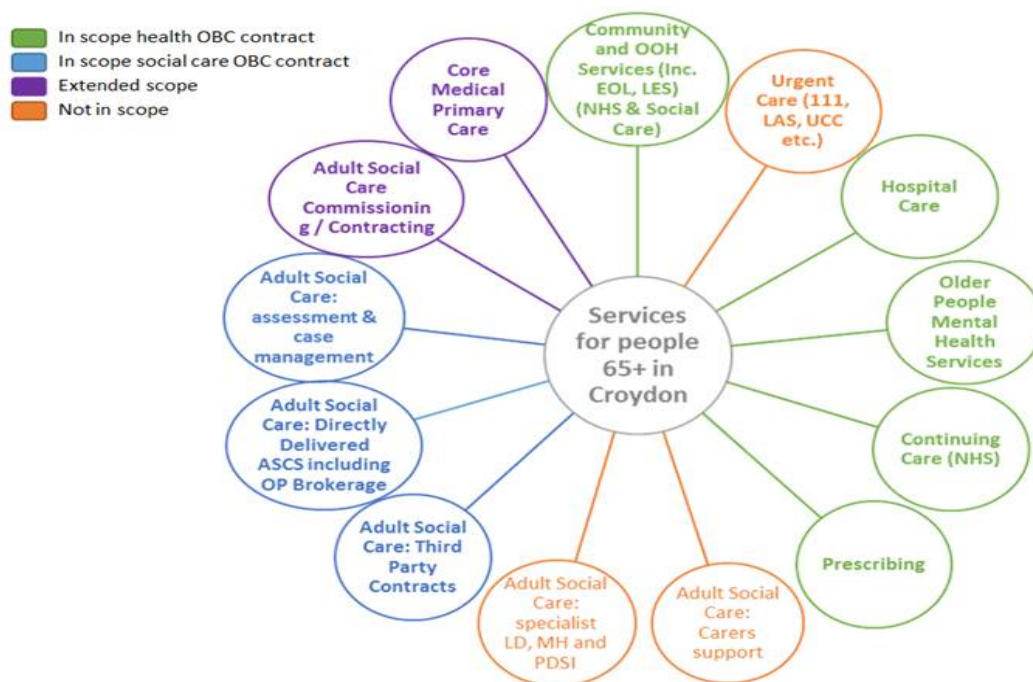
⁷ Croydon CCG Commissioning for Outcomes for over 65s in Croydon, Case for Change, P46

demand while improving people’s experience of care. Importantly, integration for over 65s will be about managing demand in the ‘right place’ at the ‘right time’ in the most efficient part of the system that will provide the best outcome for the person.

4. THE SCOPE OF OBC

4.1. The following diagram in Figure 2 shows an overview of the scope of the over 65s OBC programme. Underpinning this is a comprehensive Contract Map of all Council directly-delivered and commissioned services that are in scope.

Figure 1 – OBC Over 65s Scope



4.2. The social care scope includes directly-delivered adult social care services (ASCS) by the Council, including assessment and case management, budget for direct payments, older people’s brokerage, day services and services such as Careline Plus and Occupational Therapy; the budget for these services will be allocated to the Croydon Alliance.

4.3 It is the intention to delegate the Council’s relevant statutory duties of care and related duties to and between the Alliance Providers as deliverers of services to promote flexibility in the system as it transforms.

4.4 The Council commissions a number of Third Party social care contracts from a range of private and voluntary sector organisations, these include: Integrated Framework for home care, residential and nursing care placements, meals and preventative services. The Council will remain the contracting party and purchaser of these services with the third party providers but will allocate the budget to the Providers in the Alliance to incentivise Providers in the Alliance to maximise the use of the these contracts. Risk share arrangements will be formalised during the transition year through the Alliance Agreement in respect of these budgets. The Council as Commissioner and Provider in the Croydon Alliance will formalise collaborative arrangements for managing these third party contracts to maximise the quality and value for money of these contracts through

the delivery of the new model of care.

- 4.5** Specialist social care services and budget for: people with Learning Disabilities (LD); Mental Health (MH) needs and those with a Physical Disability & Sensory Impairment (PDSI) who happen to be over the age of 65, are out of scope for OBC. Currently the social care budget for people over 65 using specialist LD, MH or PDSI services is held within the working age budget and this is proposed to continue. Services commissioned through Mental Health Older Adults (MHOA) team are in scope.

5.0 SELECTION PROCESS TO FORM THE ALLIANCE

- 5.1** The following Providers were identified by Commissioners as potentially the “Most Capable” following an initial Most Capable Provider (MCP) assessment led by the CCG and the Council as commissioner in April 2015:
- Age UK Croydon
 - Croydon Council Adult Social Care
 - Croydon GP Collaborative
 - Croydon Health Services NHS Trust
 - South London and Maudsley Mental Health NHS Foundation Trust
- 5.2** A Memorandum of Information was issued to the identified providers, inviting them to take part in the next stage of the MCP process for OBC. The providers (together, the Accountable Provider Alliance or APA) accepted this invitation.
- 5.3** The first stage of the Capability Assessment (CA1) assessed how the Providers would work together effectively and how they could collectively develop the required capabilities and competencies to deliver an OBC contract. They submitted a letter of intent and self-assessment, and following Commissioner Evaluation, passed CA1.
- 5.4** The second stage of the Capability Assessment Process (CA2) took place during dialogue and required the APA to submit a final memorandum of understanding, a response to the organisational capabilities toolkit and a vision and roadmap for their delivery model.
- 5.5** The APA submitted documents under the “Capability Assessment 3” (CAP3) evaluation process in January 2016. This was followed by a second submission in February 2016. The Commissioners fed back the results of the evaluation to the Board to Board on 3rd March.
- 5.6** Through further discussions, it was agreed that the CAP3 process would be extended to July 2016 using the proportional intervention set out in the Contract Information Pack (CIP). The MCP process concluded in July 2016 with a log of all remaining conditions. A letter confirming this was issued to the APA on the 12th August 2016.
- 5.7 Transition to a Croydon Alliance Agreement**
- 5.7.1** It was agreed that commercial structure of the Alliance should change to address the conditions specified through the Capability Assessment process. The proposal to form ‘The Croydon Alliance’ with Commissioners joining the Alliance Provider partners was agreed at the Board to Board on 18 August 2016. Commissioners joining is aimed to

be an interim step to enable the Providers in the Alliance to develop into an organisation that can be accountable for the whole health and social care system for the over 65 population through a capitated budget as part of an outcomes based contract.

5.7.2 As part of the shared commitment to meet the conditions it was also agreed that the Commissioners would work together with the APA to develop the system wide financial model.

5.7.3 A key objective for the Alliance Agreement is for the providers to explore the establishment of an Accountable Care Organisation (ACO) which would see the Commissioners leaving the Alliance and the Alliance Agreement transitioning into an ACO contract.

5.7.4 The benefits of a Commissioner/Provider Alliance include:

- Brings Commissioner system management capabilities into the Alliance
- Builds upon the work undertaken by APA whilst maintaining momentum/pace;
- Enable conclusion of the MCP process
- Support assurance with NHS England and NHS Improvement;
- Enable links across to the South West London Sustainability and Transformation Plan (SWL STP)
- Manage and mitigate system risks more effectively;
- Use the Alliance approach developed elsewhere Help in transition of Commissioner function

5.8 The Commercial Structure and Governance of the Alliance

Alliance Agreement

5.8.1 A legally binding Croydon Alliance Agreement has been jointly developed by Commissioners and Providers setting out the principles and roles and responsibilities of all members, as well as terms and conditions covering contractual details such as termination, exit, and default and dispute resolution. The overarching Alliance Agreement commits the Croydon Alliance members to the delivery against the Outcomes Framework, delivery within the maximum affordable budget, methodology for risk and benefit share and the overall governance arrangements. It is proposed that the Council will enter into this agreement as Commissioner and Provider of Adult Social Care with the other parties on or shortly after the 23rd December 2016 with a proposed commencement date of April 2017.

Change Control

5.8.2 The Service Operations Manual (SOM) is the central location for all common elements of the services contracts, it will enable the effective allocation of resources for service redesign to meet the new Model of Care and system transformation objectives, ensuring a live record of specifications and a change mechanism. The SOM will be managed by the Croydon Alliance Board and Programme Delivery function.

Service Contracts and Service Level Agreement

5.8.3. There will be Service Contracts between the Commissioners and Providers in the Alliance for services that are directly-delivered by the Providers in the Alliance to ensure that Croydon Alliance members are accountable for delivery. The new Council service contracts planned to be entered into on or shortly after the 23rd December 2016 with a commencement date of April 2017 are as follows:

- Service Contract with Age UK Croydon merging the four current contracts into one OBC Over 65s Service Contract for:
 - i. Information, Advice and Advocacy currently -£375k per annum value
 - ii. Hospital discharge support to be developed as part of the Model of Care – currently £80k per annum value.
 - iii. Prevention - currently £8k per annum
 - iv. Healthwise – exercise and healthy eating advice for older people - £75k per annum

5.8.4 A Service Level Agreement (SLA) between the Council as Commissioner and the Council as Provider of c.£9m a year will be in place to formalise the arrangements for the Council's directly-delivered adult social care and specify the requirements. This Social Care SLA will set out the roles and responsibilities for both the Provider and Commissioner functions of LBC within the Croydon Alliance.

5.8.5 The remainder of the c.£41m spend in social care contracts are:

- Jointly commissioned services and section 75s with the CCG and Croydon Health Services (CHS), at a value of c£1.3m per annum in value.
- Third party commissioned providers of Adult Social Care – c£30m value. There will be no change to current contractual arrangements. Any recommissioning or contract awards would continue follow the Council's Tender and Contracts Regulations.

5.9 Governance

An Alliance Board has been established as part of the Governance Framework, an independent chair is due to be appointed. The Executive Director of People and Director of Adult Social Care and All Age Disability will both be on this Alliance Board. An OBC Delivery Board will report to it attended by all Alliance members that will establish a way of working that helps to deliver the OBC programme at pace.

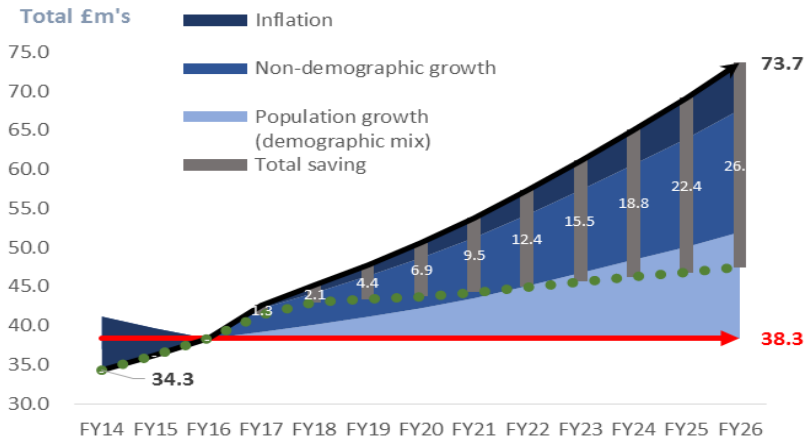
5.10 Contracting

It was agreed at the Alliance Board held on 17 November 2016 that to ensure the OBC contract can be signed to commence on 01 April 2017 that a one year contract with the option to extend by 9 years is the agreed commercial option. This enables the Alliance to have a transition year to develop the capitated outcomes based contract by April 2018. This aligns with the NHS Planning Guidance and is supported by NHS Regulators as both CCG and CHS are in financial special measures. Options for Payment Mechanisms in year 1 are being developed to meet the needs of the Croydon Health and Social Care economy.

FINANCIAL CONTEXT

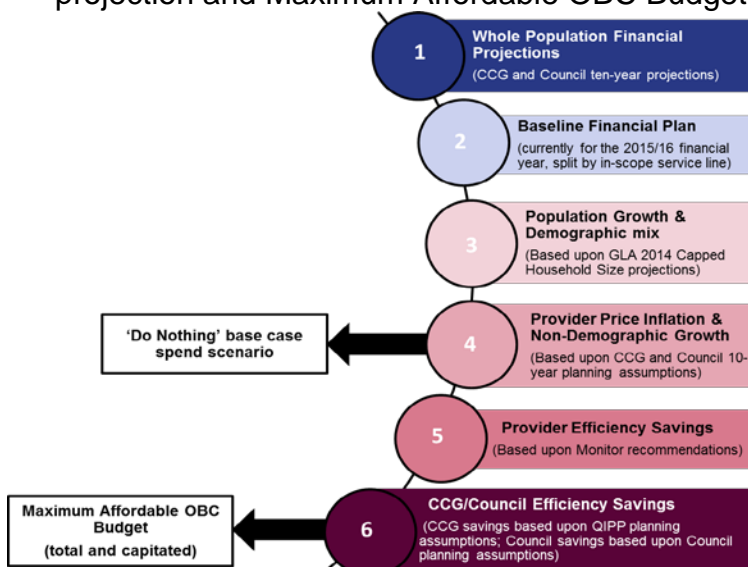
6.1 The current annual spend in scope for OBC over 65s is in the region of £220m. This is broken down as the Council element being £41m and the CCG element is £180m from 2017/18. Over the total contract term, the anticipated total contract value is £2.2b, which equates to £410m for the Council and £1.8bn for the CCG. While completing the Contract Information Pack during the Most Cable Provider Process the financial modelling of the 'Do Nothing Scenario' for social care is shown in figure 4 below. Due to the financial year start dates changing this will change but illustrates the potential financial gap at year 10 in this scenario.

Figure 2: Shows the Do Nothing Scenario against the OBC Model



Indicative: subject to change upon finalisation of 2017/18 financial baseline and any revisions to demographic and financial assumptions or contract scope.

- 6.2 The gap depicted between the 'Do Nothing' and the 'Maximum Affordable Budget' scenarios illustrates the financial challenge faced by the care system in Croydon, which the OBC contract aims to address in some part.
- 6.3 The payment mechanism will include two distinct phases; 1) the Contract Transition phase of duration 1 year and 2) the Transformation phase which will start in year 2.
- 6.4 Key aspects of the methodology and assumptions underpinning the 'Do Nothing' projection and Maximum Affordable OBC Budget are outlined in the illustration below.



7 OUTCOMES FRAMEWORK

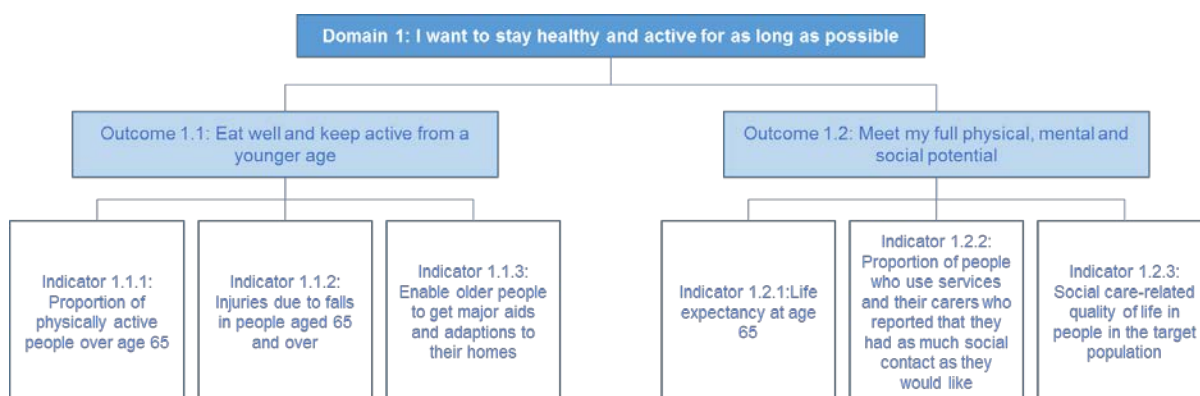
- 7.1** Outcomes Based Commissioning focuses on measuring and rewarding outcomes rather than inputs. Measuring outcomes and aligning incentives will enable the Commissioners to monitor performance across the whole health and care economy and, when combined with appropriate contractual and payment mechanisms, will allow providers to work together to deliver whole person integrated care and achieve a common set of goals.
- 7.2** People in Croydon were consulted with in the development of the five high-level Outcomes; these outcomes reflect the following ‘I’ Statements from the consultation, forming the OBC Outcomes Framework (see background papers) Domains:

Figure 3: OBC Over 65s Outcome Domains:



- 7.3** These outcomes are supported by goals and indicators (incentivised and non-incentivised) that demonstrate achievement. As an illustrative example, presents one domain, the outcomes for this domain and the indicators that will demonstrate the delivery of the outcomes.

Figure 4: Summary of Domain 1 with outcomes and indicators



- 7.4** The indicators have been identified from a range of sources including national Outcomes Frameworks, quality standards, local data sources, national guidance and research on patient experience and outcomes. Many of the indicators draw upon data that is currently collected and reported by the Providers of the Alliance. This approach has been adopted to reduce duplication and the unnecessary development of new indicators which can be time consuming and costly. Where measures will need to be developed or enhanced locally this will be done in the early years of the contract.

- 7.5** In addition to the outcomes framework local indicators will be specified in the Service Level Agreement and the Service Operating Manual, these will include Social Value Performance Indicators and internal measures for ASC operational effectiveness i.e. timeliness of assessments. There is also a requirement for the directly delivered social care providers awarded through OBC to pay the London Living Wage.
- 7.6** Commissioners and Providers have (during dialogue) agreed and formally signed-up to the Outcomes Framework and the formal technical specifications for each of the incentivised indicators have been developed. The specifications include proposed data sources, methodology for calculating the indicator, and recommended sample sizes (where relevant).
- 7.7** The Croydon Alliance will revisit the indicators and outcomes within the framework to ensure that these are amended to include new indicators as appropriate at the end of each phase of the contract e.g. years 3 and 7. Please see background documents for the full Outcomes Framework and Indicators.

8 CROYDON COUNCIL AS PROVIDER AND MODEL OF CARE INITIATIVES

8.1 Croydon Council as Adult Social Care Provider

- 8.1.1** The Council is unique in the Alliance as Provider and Commissioner in the Alliance. The proposed Governance of OBC consists of:
- OBC Alliance Board with an independent chair, with Executive Director People and Director of Adult Social Care and All Age Disability attended by all Alliance Partners senior officers
 - One Council vote, with two representatives (Commissioner & Provider) with unanimous decision making so the Council will have the right of veto as will all partners
 - OBC Programme Delivery Board attended by all Alliance partners to report to the Alliance Board
- 8.1.2** A Joint OBC Contract Management Framework is in development that will ensure the main OBC over 65s contract is managed effectively by the Council and CCG, cross referencing the third party contract management process.
- 8.1.3** An SLA will be entered into at c£9m for year one between the Council as Commissioner and Council as Provider to hold our own Adult Social Care Service to account for the quality and delivery of services within the maximum affordable budget.
- 8.1.4** The Council will sign the Alliance Agreement as one legal entity.

8.2 The Provider Vision:

- 8.2.1** The ambition is to have a significant improvement in care for older people that is better coordinated, of higher quality and is delivered with compassion and respect for dignity. In order to deliver this ambition there will need to be a significant shift in the balance of where care is provided, that focuses on how care can be better provided around the needs of individuals. This will require removing barriers to integrated care and allowing sufficient time to embed locally.

8.2.2 The ageing population and increased prevalence of chronic disease requires a strong reorganisation. It requires a move away from the current emphasis on acute care, toward one of prevention, self-care, consistent standards of primary care, and care that is well co-ordinated and integrated. The introduction of the Croydon Alliance is an opportunity for providers to tackle some of the very real challenges facing health and social care in Croydon and make a real difference to peoples' lives. The vision is to transform services from a focus on illness and crisis intervention, to services that enable individuals to manage their own health and social wellbeing, develop personal resilience, and be independent.

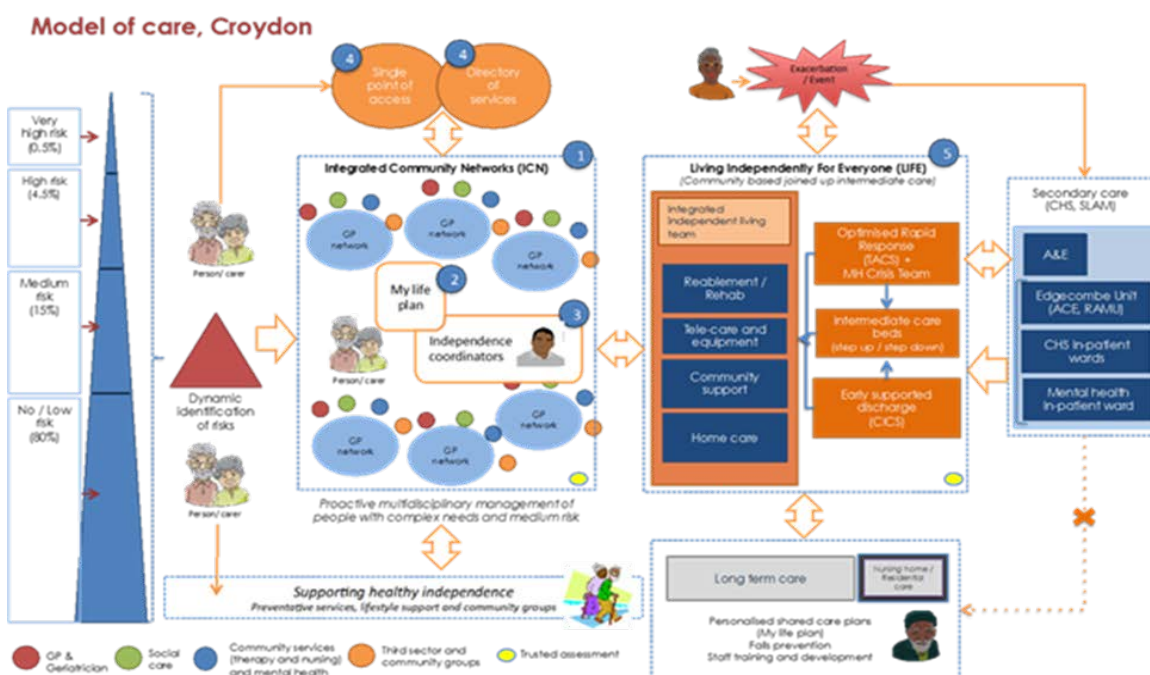
8.2.3 The Voluntary and Community Sector organisations have an important contribution to make in developing new models of care. The result would be to make a reality of care closer to home and reduce the use of acute hospitals and services.

8.3 The Model of Care

8.3.1 The New Model of Care will take forward the ambitions of the Alliance and introduce a whole system transformation through the Model of Care programme. Work has been undertaken to develop the Model of Care which is described in the following initial five initiatives.

- Integrated Community Networks
- My Life Plan
- Personal Independence Coordinators (PIC)
- Point of Access and Information to Voluntary Sector, Health and Council
- Living Independently for Everyone

Figure 5: OBC early Model of Care



8.4 The Model of Care is progressing now before entering the formal Alliance and the benefits for Croydon are already becoming evident. The six new Personal Independence co-ordinators detailed below commenced in Croydon University Hospital and New Addington GP networks on 14 November offering a continual supportive presence for people, ensuring services and support are delivered in a personalised, co-ordinated, relevant and timely way delivering the result that every person has someone to speak to. Successful fast tracking of elements of the Model Care has been possible through the strong relationships developed across partners such as the acceleration of the LIFE service that helps people return home from hospital safely, resulting in the assurance that people are supported to regain their independence. These developments will continue and scale up at pace through transition. The early initiatives are described below.

8.5 Integrated Community Networks

- 8.5.1** Integrated Community Networks (ICNs), which are aligned to the existing six Croydon GP networks, will bring together health, social care and the Voluntary and Community Sector services together in virtual teams to deliver coordinated care and support. ICNs will focus on preventing ill health and enable individuals to support their own health and independence.
- 8.5.2** These networks will build on the existing GP multidisciplinary team (MDT) care Practice Development and Delivery Scheme. The networks will be supported to by the creation of two Complex Care Hubs to manage the care of people through proactive case management and care coordination.
- 8.5.3** The networks will also be supported by the other initiatives to promote self-care and prevention behaviours and wider engagement with voluntary and community services.

8.6 My Life Plan

- 8.6.1** The vision for a 'My Life' plan (MLP) is for a dynamic care plan based on input from the person through guided conversations. This would include the opportunity for every person over 65 in Croydon (and their carer) to have access to a website / app or hard copy that takes them through a systematic process of developing a personalised MLP.
- 8.6.2** The initial focus is to prototype the model by ensuring all people assessed as having complex health and care needs to have a shared care plan using the freely available "Coordinated my Care" model. The person will retain control over the information recorded and who will have access to the information in their plan.

8.7 Personal Independence Coordinators (PIC)

- 8.7.1** The PIC will be a member of the multidisciplinary team (MDT) working in the ICNs. They will be employed by the voluntary sector and independent of social services and the NHS, not part of the person's family or friends. They will work intensively with people with long term conditions, if necessary, on a one to one basis. The PIC and their volunteer support workers will work with the MDT, preventing people from returning to hospital or organising the support person required to enable them to be

discharged from hospital or remain independent in their own home.

8.8 Point of Access and Information to Voluntary Sector, Health and Council

8.8.1 Within each GP network, there will be a point of access and information for all physical, psychological and social needs. A single telephone number and point of contact will be available, supported by a central directory of services. Trained frontline workers will either deal with their issue directly or arrange a discussion/appointment for the person with the relevant service that they require. It will not simply be a signposting service but will provide an active role in care giving.

8.9 Living Independently for Everyone service

8.9.1 A Living Independently for Everyone Service ('one team, one name, one budget') will be introduced. This will include rehabilitation/reablement, telecare and equipment, community support, home care, rapid response, intermediate care beds and early discharge support. These teams require different skills and so will need to remain separate. To the user the service will appear as a single enterprise.

8.9.2 Access to this service will be based on the person's need and will approach person care holistically through a matrix of whether they have a physical, psychological or social need and whether the need is acute, long term or a permanent change in function. All teams and professionals within the service will accept one trusted assessment.

8.9.3 A two phased approach to care will be put in place. The first phase is to stabilise the person and the second to assess the need for longer term care. Voluntary groups will be integrated to support with areas such as transport and hospital to home support. Finally, a review of new telehealth and telecare services will bring to light new ways of using these areas to improve outcomes.

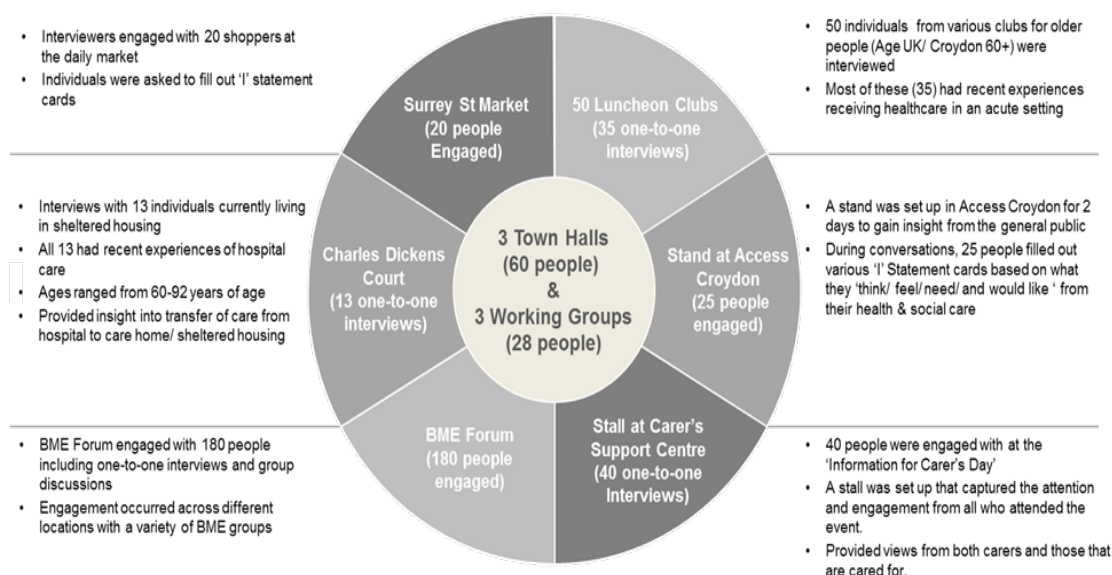
8.9.4 The Model of Care will support system changes that will provide a foundation for the transformation required to successfully develop a wide range of community and out of hospital projects from early intervention and prevention such as falls prevention to more complex care needs including improved End of Life Care.

9 CONSULTATION

9.1 Outcomes based commissioning (OBC) is a way of recognising the importance of working with the community to identify the results they want to see achieved in relation to health and care services; these outcomes then set the framework within which providers of services can design solutions to achieve them.

9.2 In line with the general duty to involve individuals and the wider community, an extensive phase of testing and co-design was put in place. The town hall events and working groups were central to the co-design and these were supported by a number of additional activities that are summarised below. Overall 400 individuals provided input

and the views and opinions gathered were fed back into the process to support the development of and verify the detailed outcome design.



9.3 The outputs from the consultation and engagement exercise set out above directly informed the development of the outcome framework.

9.4 The Service User Specialist Engagement Group has been meeting on a monthly basis with representatives of the OBC Programme and APA, to contribute to the consideration of how the APA would 'meet the needs of the service users' (CIP requirement). Both commissioners and providers have a requirement to involve people and build their feedback into the design, delivery and monitoring of services. The public engagement meetings have been structured to:

- Gain feedback from OBC commissioners on progress in developing the contractual requirements for the new way of working;
- review engagement activity conducted since June 2015 and contribute to the development of further engagement activities;
- hear from APA leads about the development of the Model of Care;
- discuss and contribute to the potential initiatives for year one of the new service and consider the priorities and possible gaps within the initiatives.

9.5 Four members of the group attended a follow up session from the first 'hothouse' sessions in December with other stakeholders, where the next steps in the development of the Model of Care was shared and they worked - with providers - through patient scenarios, to consider how the integrated working of the new model would ensure an effective service, meeting the needs of the people of Croydon.

9.6 Further engagement has taken place in February and March 2016, jointly facilitated by the OBC Engagement Team and APA, with members of the SUSEG in attendance to

support the facilitators. This took place with five groups:

- Carers Partnership Group
- PPG Network Group
- Asian Community Elders Forum
- Gentleman's Probus
- Lahona Community Group

10 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 10.1** The Solicitor to the Council notes that the below represents the advice received for the Council's external legal advisors.
- 10.2** When the procurement of OBC for the over 65s commenced, the option to use a Most Capable Provider (MCP) process existed by virtue of provisions in the NHS (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013 (now superseded by the 'Light Touch' procurement regime under the Public Contracts Regulations 2015). The MCP process required Commissioners to identify the provider(s) most capable of providing health care services with a view to improving the quality and efficiency of those services while achieving best value for money. It was not a requirement for the Commissioners to formally compete the opportunity, subject to the contract being awarded to those provider(s) who were most capable of delivering the contractual obligations in line with the requirements of the 2013 Regulations.
- 10.3** The Council was able to be involved in the MCP process since that the Public Contracts Regulations 2015 did not, at the time, apply to procurements of health care services. Given that the predominant component of the jointly commissioned OBC arrangements is NHS-funded health care services, legal advice at the time confirmed that the Council was able to join the MCP process being run in accordance with the 2013 Regulations⁸.
- 10.4** The form of MCP process used to procure OBC for the over 65s was devised to ensure that the envisaged OBC contract was procured in a transparent, fair, non-discriminatory and proportionate manner. It comprised an initial process to identify potential MCP providers of the relevant services, followed by three successive assessments to test the capability of these potential MCP provider(s) to work together as an accountable provider and successfully deliver an OBC contract. The potential MCPs came together as an accountable provider alliance (APA) which would work together to respond to the MCP process.
- 10.5** It is noted that Commissioners have always been clear that the outcome of the MCP process could be a determination that the potential MCP providers (i.e. the APA) were not, in fact, capable of delivering an OBC contract and that an OBC contract would therefore need to be competitively tendered.
- 10.6** The outcome of the CAP3 assessment provided sufficient assurance to Commissioners that through the application of conditions the underlying information and systems could

⁸ Legal advice in March 2015 confirmed that the joint commissioning envisaged by the older people's programme is a "contract award procedure that... relates to the procurement of health care services" despite also relating to social care. The procurement is therefore governed by the NHS 2013 Regulations.

be sufficiently developed to enable an OBC contract to be delivered with the support of the Commissioners. This conclusion was strengthened by the changing context of the commissioning of health and care services away from accountable providers to broader, whole-system approaches. Accordingly Commissioners decided to build on the work undertaken by both the APA and Commissioners during the MCP process with a view to initially delivering the services under the aegis of a whole-system Croydon Alliance of which both the Commissioners and the Providers are members.

- 10.7** The Council is advised that in relation to the delegation of statutory functions Section 79 of the Care Act 2014 (the Care Act) permits the Council to delegate most (with limited exceptions) of its Part 1 Care Act functions to other bodies (which includes NHS, third sector and private providers).
- 10.8** Section 8(2) of the Care Act expressly permits the Council to meet the needs of care and support (for adults) by arranging for a person other than it to provide a service or for the Council to directly provide that service.
- 10.9** To the extent that services fall outside of section 8(2) then (subject to any specific statutory restriction) section 1 of the Local Government (Contracts) Act 1997 confers a power on the Council to enter into a contract with a third party to deliver services (in relation to any of the Council's powers or duties the Council exercises). Subject to a review of the final form of service(s) contracts the Council has the power to enter into them.
- 10.10** Section 3 of the Care Act places a duty on the Council to exercise its Care Act (Part 1) functions with a view to ensuring the integration of care and support provision with health-related provision where it considers that this would:
- 10.10.1** promote the well-being of adults in its area with needs for care and support and the well-being of carers in its area,
- 10.10.2** contribute to the prevention or delay of the development by adults in its area of needs for care and support or the development by carers in its area of needs for support, or
- 10.10.3** improve the quality of care and support for adults, and of support for carers, provided in its area (including the outcomes that are achieved from such provision).
- 10.11** In noting the request to delegate the decision to enter into the Alliance Agreement the Cabinet must be satisfied that agreement furthers the integration for care and health on at least one of the grounds set out in paragraph 10.10 and in approving the final form of that agreement the Delegates should also satisfy themselves that this is the case.
- 10.12** The Alliance Agreement is intended to operate for 10 years and as it is designed to promote the integration of social care and health is structured to operate so the Council, Croydon CCG and providers all must agree to operational and strategic matters. Post transition year, that agreement also contains liabilities and obligations

which will bind the Council for up to 10 years.

- 10.13** Officers are in discussions about the final form of the Alliance Agreement with the objective that it ensures: the Council's potential liabilities are proportionate; its statutory discretion is not fettered and that decision making within the Alliance reflects the Council status as both a statutory and elected body. The Delegates in approving the final form of Alliance Agreement should satisfy themselves that these matters have been appropriately addressed.

Approved for an on behalf of: Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer.

11.0 Financial and Risk Assessment Considerations.

- 11.1** The Financial context is set out clearly in section 6 of the report. This outlines the potential cost of the 'do nothing' option for the council and the savings that can be made from an integrated and outcomes based approach. The do nothing approach would result in costs increasing by over £40m in year 10 of the contract and therefore is not an option for the Council.
- 11.2** Currently the Council and the CCG commission a range of interdependent and overlapping services for people over 65s from a number of different providers, some of which are the same as OBC will support the joining up of services, consistency of experience and successful delivery of outcomes. It will support the prevention of increased costs as a result of being unable to achieve the full benefit from greater purchasing power.
- 11.3** Integrating the health and social care system for the over 65s will allow a co-ordinated approach to commissioning and provision which should meet the needs of individuals, produce measureable outcomes and system-wide economies. It will also allow funds to flow across health and social care via the Better Care Fund mechanism.
- 11.4** The Council budgets for the services in scope of this ten year contract are detailed in the table below, and total over £438m over the life of the contract.
- 11.5** The CCG budget is approx. £180m per annum in year one, and therefore the total budget per annum for services to over 65's in Croydon is in excess of £220m.

	Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Maximum Affordable Budget	41.3	42.0	42.4	42.8	43.3	44.0	44.7	45.3	45.8	46.5	438.
	54	72	44	41	47	20	21	54	86	24	563

- 11.6** The base value for the Maximum Affordable Budget is the year zero budget relating to in-scope services for Older People. To this is added:

- 11.6.1** Demographic growth - based on 2014 GLA Capped Housing Size Population projections
- 11.6.2** Non-demographic - growth based on an in-depth analysis of historical changes within social care. It relates to pressures cause by increased propensity for social care, changes in acuity etc. This is independent of the effect of population growth and age profile. The value of this is to be reviewed annually
- 11.6.3** Provider inflation – Inflation for contracts and staff pay has been included at 1%. The percentage granted will be reviewed annually
- 11.6.4** Efficiencies – Years 1 and 2 are a fixed value, in subsequent years 5% is applied.
- 11.7** The maximum affordable budget (MAB) calculated by commissioners is on a per capita basis. This gives a level of certainty to both providers and commissioners and helps manage the deliverability of services. The MAB is adjusted annually to reflect demographic and non-demographic changes.
- 11.8** The Council require its provider element of the contract to achieve a 5% annual saving from years 3 to 10 with a slightly lower amount in the early years while the contract is being established and embedded.
- 11.9** This contract will allow for a new model of care which will enable focus on the community and preventative care thus reducing hospital admissions. This will require additional input for Adult Social Care funded by health using the Better Care Fund as the mechanism. The combining of health and social care budgets in this way will enable efficiencies to benefit both sectors.

Risks

- 11. 10** Croydon CCG and Croydon Health Services were placed into special measures in July this year. Both have to prepare a financial recovery plan which we need to be assured does not have unintended consequences to their partner organisations. These health financial recovery plans and the NHS Sustainability and Transformation Plan (STP) will, it is believed, require savings to be achieved sooner than was originally envisaged which may put considerable pressure on social care.
- 11.11** In recent years Adult Social Care has experienced increasing pressures caused by increases in demand, rising costs and increases in propensity and acuity. These pressures are only likely to increase over time, to do nothing is not an option. Radical change across the health and social care system is the only viable option.
- 11.12** The risk and benefit share agreement is currently being drafted by all the parties involved. This agreement will allow the transfer of funds to the Council for additional costs of social care generated by changes in the system model of care.
- 11.13** In addition, we will ensure that, as part of this contract, the council is not exposed as a Provider or Commissioner to any risks due to CHS or CCG overspends, through the following:
 - 11.13.1** The Council has set its budget and entered this into the draft 10 year financial model. The transition arrangements will set out the management of risk and benefit and how to move resources around the system as required through the development of business cases. Key principles protect the parties in the Alliance

and mitigate against the Council being impacted by a worsening of the Croydon health economy:

- Each organisation retains its own statutory duty
- Where transformation requires one party to accept more demand, this investment will be made through a business case process and mechanisms such as the Better Care Fund
- As Commissioner and Provider in the Alliance we can effectively manage demand.

11.13.2 Being part of the Alliance will support the whole system transformation and sustainability as services move to be delivered in the most efficient part of the system. As we move to a capitated budget this shift will need to increase. Risk share and investment principles will be binding in the Alliance Agreement as it matures during transition. The 'Do Nothing' scenario exposes the Council to a greater risk of cost transfer from its health partners as they need to reduce activity in the acute sector by avoiding admissions and ensuring early discharge. Planning these service changes in partnership provides the least risk so that demand can be planned for and modelled and invested in appropriately.

11.14 The Council with the Alliance partners have agreed the principles for contingency should the Alliance not be able to progress due to any unforeseen circumstances in the health and social care landscape. Seamless services with outcomes focus are central to all plans for future delivery. We would continue to work in partnership across the system to mitigate the impact to our residents should this contracting arrangement not progress as set out, ensuring continuity of services and improvement in outcomes for the over 65's. The commercial structure and contracting arrangements of Service Contracts in place through OBC or the status quo protect continuity of provision and management of the quality of services.

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

12 HUMAN RESOURCES IMPACT

12.1 There is no immediate HR impact on LBC staff as a result of the recommendations in this report. However in future, the Council would need to determine the most appropriate way to ensure that it optimally adapts to working in this efficient and outcomes driven way; in this regard any proposals that would subsequently have a material impact on staff would need to be referred to Human Resources and adhere to the relevant Council policies and procedures.

Approved by: Jason Singh, HR Business Partner on behalf of the Director of Human Resources

13 EQUALITIES IMPACT

- 13.1 As reported to Cabinet in Sept 2015 Section 1 of the equality analysis (EqIA) has previously been completed, and this has been refreshed in line with Phase 3B of OBC.
- 13.2 Evidence that underpinned the refresh of the EqIA included the draft Joint Strategic Needs Assessment (JSNA) that assesses the 'Health and Social Care Needs of Croydon's Older Adults & Carers'. This provides a detailed understanding of the demographic characteristics, social determinants and health and social care needs of Croydon's over 65 population, and carers of people over 65. Following a high level appraisal of current need, the JSNA makes recommendations in areas for improvement.
- 13.3 Another key evidence base used is the 'Croydon Outcomes Framework for Older People's Care, Technical Specification'. This provides details of the indicators and metrics which will demonstrate delivery of outcomes that matter to local people and ensure health equity.
- 13.4 The updated EqIA (please see background papers) will include actions detailing how potential impacts are being responded to and how future arrangements will continue to identify and address equality monitoring and performance requirements.
- 13.5 Consultation with the public and people who use services on the development of the outcomes and development of the programme has been ongoing throughout to ensure a diverse representation of views and experiences. Please see section 9 for the detail.

14 **ENVIRONMENTAL IMPACT**

- 14.2 There are no immediate environmental impacts as a result of this report.

15 **CRIME AND DISORDER REDUCTION IMPACT**

- 15.2 There are no direct Crime and Disorder reduction impacts as a result of this report.

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

- 16.2 The delivery of an integrated health and social care system together with transformed adult social care and acute and community provision that is both financially sustainable and improves outcomes is essential. The Council and CCG as commissioners and the Council and other providers in the Alliance have taken service alignment and service efficiency as far as it can go without fully transforming the system. Without a transformation that moves resources around the system into community provision, the future of health and social care is very unstable.
- 16.3 The financial modelling undertaken shows that there could be a financial gap of c£40m for social care by 2026 in the 'do nothing' scenario. OBC supports the shift from acute services to those closer to home and aims to enable sustainability of our care services to our residents; in ensuing people are not delayed in hospital and avoid admission if at all possible and receive a service at, or close to home that is proactive and preventative in nature with a focus on self-management, independence and good quality outcomes.

16.4 Joining with our partners to develop joint solutions will support our journey towards health devolution and break down the barriers to integration and the delivery of care that is truly person centred.

17 **OPTIONS CONSIDERED AND REJECTED**

17.2 Open procurement for an alliance of providers was considered but rejected to follow a Most Capable Provider process.

CONTACT OFFICER: Rachel Soni, Head of Adults Health & Integration, x 61640

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972:

Equality Analysis

Croydon Outcomes Framework

REPORT TO:	Cabinet Meeting 12th December 2016
AGENDA ITEM:	8
SUBJECT:	Real Letting 2 Property investment
LEAD OFFICER:	Mark Meehan Director of Housing Need
CABINET MEMBER:	Councillor Alison Butler Cabinet Member for Home, regeneration and Planning and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT

The council has a range of statutory duties in relation to homelessness including a duty to secure accommodation for eligible homeless households. Within that range of statutory duties is the requirement to ensure that any emergency temporary accommodation provided for homeless households is suitable, and that certain types of emergency shared accommodation are only provided for a maximum of six weeks for households with dependent children or where a household member is pregnant. A key priority is to meet housing need. Since November 2012, local authorities have been able to discharge the full housing duty by a private rented sector offer under s193 of the Housing Act, as amended by s148 (5)-(7) of the Localism Act 2011. The accommodation must be suitable but does not require the applicant's agreement to be a valid offer. The report outlines the options for the second phase of expanding suitable accommodation in Croydon to support this priority/policy context.

AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS

The proposed investment in the Real lettings property fund detailed below will assist the Council to meet its statutory duties to homeless families, by providing a long-term sustainable accommodation solution and reducing use of expensive and unsuitable emergency accommodation. This will address the following Ambitious for Croydon aims and objectives:

Croydon's Community Strategy 2016-21 seeks to tackle the lack of affordable housing, overcrowding and rising homelessness and to reduce the number of homeless families and individuals living in temporary accommodation. A key priority under Outcome 2: A place of Opportunity for Everyone, is to prevent homelessness and to enable individuals and families facing homelessness to secure long-term sustainable housing solutions.

The Council's Ambitious for Croydon outcomes, as set out in the Corporate Plan 2015-18, include providing a choice of home for people at all stages of life and enabling homeless households to access suitable accommodation.

The Ambitious for Croydon performance framework sets targets for reducing the use of emergency and temporary accommodation.

FINANCIAL IMPACT

Dealing with increasing homelessness is currently resulting in significant cost pressures to the council. In November 2013 an investment of £20m was agreed to increase the supply of accommodation for homeless households. In 2014 a second investment of £10m was agreed giving Croydon access to 146 homes from both investments. There are still increasing demand pressures on the housing system leading to increasing cost pressures. An additional investment of £15m with Real Lettings 2 is recommended which, will increase the supply of accommodation by 47 units, that the council is able to discharge its housing duty into.

KEY DECISION REFERENCE NO: 3116CAB: This is a key decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

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

1. RECOMMENDATIONS

- 1.1 The Cabinet is recommended to approve the £15 million investment in the acquisition of property for use as Private Rented accommodation the terms detailed in this report.

2. EXECUTIVE SUMMARY

- 2.1 This report updates Members on the Real Lettings financial model approved by Cabinet on the 18th November 2013 to address housing needs arising from the homelessness situation in Croydon. The Real Lettings Scheme was introduced by Croydon in January 2014. The Scheme enables the Council to discharge housing duty to the private sector, in effect ending its responsibility for permanent re-housing.
- 2.2 Croydon has invested £30 million in Real Lettings to date. The investment has given Croydon access to a minimum of 146 quality private sector units. The scheme to date has provided access to 151 units. The unit splits into: 1x studio, 12x 1bed, 134x 2bed, and 4 x 3bed accommodations. Each tenancy comes with ongoing tenancy support and assistance in finding employment/training as well as assistance in finding further private sector accommodation.
- 2.3 The scheme has also seen a 3% cash yield return on investment plus Croydon will get a share of the capital appreciation of the assets at the point of sale. This scheme has seen a reduced reliance on nightly charged accommodation over which the Council have no control in respect of supply and costs. It has also contributed to ensuring that the number of households having to stay in

shared B&B accommodation beyond the six week limits remains as low as possible. The investment of £15m for the Real Lettings 2 will continue to alleviate the cost pressure from B&B accommodation.

- 2.4 Whilst the existing investment in Real Lettings has increased supply of affordable accommodation, Croydon is under financial pressure, with the freezing of local housing allowance rates (LHA) for 4 years, under welfare reform. Currently in Croydon an average 2 bed property per calendar month (PCM) rent is £1,200 where the LHA is only £900, leaving a £300 difference. We anticipate this gap will only widen over the period of the freeze, creating further pressures. We are proactively working with residents; to prevent their homelessness and this investment will assist in providing a steady supply of affordable private sector accommodation.

3. Outcomes of the Real Letting scheme

The Real Lettings Property Fund LP (“The Fund”) is a UK limited partnership with a proposed life of five years (extendable by two further periods of one year), which offers investors the opportunity to invest in a diversified portfolio of London residential property which achieves a significant social impact in the area of London homelessness, of which Croydon can be a significant investment partner and nominator of homeless households to the properties, as they become available.

Real Lettings property Fund 1

- 3.1 169 people have been housed via the programme and 36 moved into private sector accommodation. Taking account of the placement fee the Council have seen annual savings of £521k for B&B nightly costs. The Council has received two quarterly payments of £226k, which is the distribution of profits, and this is expected to continue each quarter going forward. The distributions are expected to equate to roughly a 3% cash yield return on investment.

3.2 Real Lettings Property Fund 2

The Fund seeks to raise between £60 and £100 million; £60 million in the first round. The Fund aims to deliver a cash yield of 2.0% averaged over years 3-7 as distributions commence from year 3 onwards. The investment is anticipated to benefit from capital appreciation. The total investor internal rate of return is 5.2% over the 7 year period. Croydon aims to invest £15million in RLPF2 for access to 47 units on top of its existing £30million investment in RLPF1. This will bring the total investment to £45million

3.3 St Mungo’s:

The Fund will lease these properties to St Mungo’s lettings, for a minimum of 5 years on lease terms which insulate the Fund from insurance and routine maintenance costs, as well as the risk of tenant voids. St Mungo’s will itself sub-let the properties to tenants at risk of homelessness on a 12 month AST at Local Housing Allowance (LHA). This allows Croydon to discharge its housing duty to the cases it refers into this scheme.

3.4 **St Mungo's Funding:**

St Mungo's receives 21% of the LHA income per property, as well as a placement fee from Croydon. The Fund offers a number of attractive features that a standard investment into residential property would not normally provide, namely:

- Minimum 5 year lease agreements
- A one-point-contact tenant and a strong covenant
- No void risk and free from operational repair obligations (due to lease structure)
- Measurable social impact in addressing homelessness
- Lease payments will be linked to Local Housing Allowance

The Fund has been structured in order to achieve social impact in the area of homelessness. It will achieve this by scaling up a proven effective model for transitioning formerly homeless people, or those at risk of homelessness, into successful Private Rented Sector tenancies, with resulting improvements in housing options, progress towards work and re-integration into society, and greater resilience against reverting to homelessness again.

3.5 **Benefits of investing in the fund**

For an investment of £15m there is the potential to receive an estimated 2% yield return from year three of the contract. The service will commence in January 2017, to which the Council will have 100% nomination rights. St Mungo's have right of refusal to a placement, if the referral is deemed inappropriate which are likely to be rare, as checks are carried out beforehand.

3.6 The significant benefits are an ability for the LA to discharge its housing duty, along with the risk on voids and bad debts being removed from the LA. There are likely to be better outcomes for households, including sustained tenancies and support into employment, and others as detailed below:

- Detailed assessment of the client's suitability for the Private Rented Sector (PRS)
- One point of contact for the tenant for both assessment and resettlement
- Tenancy sign up (including explanation of rights and responsibilities)
- Tenancy set up (utilities, benefits, council tax, grant applications, furniture sourcing)
- Six months core resettlement support including 3 home visits
- Referral to in-house employment, training and education support
- 'under one roof' – all the support services are managed by Real Lettings. If a client misses a rent payment, St Mungo's provide support to get back on track. In maintaining the properties, staff pick up on un-reported issues
- Ongoing 'low level' support as and when required
- Signposting to external agencies where appropriate
- Monday – Friday tenant helpline (with out of hours service)
- Good Neighbour tele-befriending scheme – weekly contact from a trained volunteer
- 12 monthly tenancy checks to ensure tenant is still managing in tenancy/home
- Tight void/arrears management – tenants are not allowed to accrue arrears

The content of this report has been endorsed by the assistant chief executive (corporate resources)

CCB Approval Date	CCB ref. number
03/11/2016	CCB1177/16-17

4. CONSULTATION

- 4.1 The options and proposal have been considered with Housing, Gateway and Welfare Service, external legal, Head of Adult Social Care, SCC, and Finance.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 This proposal would require investment of £15m in Real Lettings 2 which would be treated as capital expenditure. It is estimated that this investment will generate an Internal Rate of Return of 5.2% (which considers all future cash flows including cash yields and capital appreciation). This is greater than Croydon's current cost of capital at 3.85% and so therefore RLF2 is deemed a profitable investment. However this would need to be offset against the need to borrow funds to raise the £15m investment, which would likely be over a period of 8 years at 1.99%.

The opportunity cost arising from the alternative option forgone would equate to 2% interest received on current treasury investments, excluding the cost of borrowing. The average cash yield for the RLPF2 investment is 2% between years 3-7. Taking the cost of borrowing into account this investment is anticipated to be cost neutral to the Council.

Croydon will invest in 47, 2 bed homes and expects a throughput of just under 50%; therefore the modelling assumes that our housing duty to 70 families will be discharged through the RLPF2 contract term.

The anticipated savings to the Emergency Accommodation budget through the use of this scheme is £19k.

5.2 The effect of the decision

The investment made in the fund would be classified as capital expenditure. Additional borrowing would be required in order to raise sufficient funds for this investment. It is likely the borrowing would be spread over 8 years at 1.99%

The placement fees will be funded from within the existing temporary accommodation budget

5.3 Options

The supply of self-contained accommodation is heavily constrained, the Council are in strong competition with other boroughs and the placement of a homeless household in B&B is both expensive and unsatisfactory as a housing solution. This results in limits on the availability of supply and an upward pressure on pricing. In respect of shared accommodation, the Council also needs to be mindful of its legal duties.

The aim will be to significantly reduce the use of shared Bed and Breakfast. This will be done by developing a portfolio of provision, including this scheme, which will combine use of the Council's own stock, private leasing, direct relationships with private landlords, privately financed provision and self-contained Bed and Breakfast.

5.4 **Future savings/efficiencies**

The opportunity to build in future savings and efficiencies will be explored as the scheme progresses through:

- Appreciation of the fund over the 7 year period is assumed to provide additional capital receipts for the council over and above the original investment.

5.5 **Risk**

It is important to acknowledge that the Real Lettings options is not without risk.

5.5.1 Market Fluctuation

The GP / LLP arrangement is a well-established structure for investments and is typically used in investments where there are a small number of investors, committing known sums to a fund of a certain size. The Council is thus protected by a legal agreement that limits loss to the committed sum of £15m. The investment is projected to return up to 2% per annum to each investor. However there is no guarantee of this return as it is subject to market conditions.

Consideration has been given to the 5.2% annual increase used in the Real Lettings model. House price changes are volatile and will react to both supply/demand and external economic influences.

To test the Real Lettings assumption, regard has been had to a number of national indices produced by Halifax, Nationwide, Land Registry and Office of National Statistics.

The subscription agreement makes Croydon a partner in the fund. The nominations agreement would allow for a contract with St Mungo's to provide the vacant properties for nomination. The investment, which is for a period of five years (with a possible 2, 1 years extensions); cannot be withdrawn from during that period. Therefore, once committed the authority will have a legal obligation to pay the committed sum in full. The fund is a close-ended fund and so the principal invested will not be returned until the end of the life of the scheme. It may be possible to exit early by selling the authority's share on the secondary market, but this option may entail a discount on the sum invested. These funds are highly illiquid and the secondary markets are not developed. When investing the authority should assume that the investment is for the

whole life of the fund with no certainty of early redemption and to consider that early redemption will be heavily penalized.

This will be mitigated through the wording of the nominations agreement, a robust escalation process with St Mungos and membership of the Advisory Committee.

5.5.3 Liability

The legal documentation that form these agreements comply with generally accepted standards. The structure should ring-fence this authority's investment into the fund and therefore the principal at risk is limited to the authority's committed sum of £15m, hence the name of the arrangement.

Further layers of protection are provided by due diligence, governance and the practical arrangements, which form part of the legal agreement. Extensive due diligence prior to final commitment to the fund is critical to ensure that the legal agreements are as anticipated and that the various supporting statements are verified. The voting rights are anticipated to be split evenly as we're aiming to obtain 25% of the investment.

5.5.4 Voids and Unforeseen Costs

The fund will lease the properties to St Mungo's lettings for a minimum of 5 years on lease terms which will insulate the fund from insurance, routine maintenance costs, as well as the risk of tenant voids.

5.5.5 Track Record

The council have undertaken a number of Investments with this fund, which has a track record of delivery contractual obligations, and to date has provided a yield against investment.

5.5.6 Control

The voting rights are anticipated to be split as follows:

- Any day-to-day non material decisions are made by way of an Ordinary Resolution (which requires 50% of investors' approval)
- Any important decisions are dealt with through a Special Resolution (which requires 75% of investor's approval)
- Investor votes are proportionate to their capital contributions to the Fund (including Carried Interest Partners)
- Croydon have 49% of the voting rights in RLPF1.
- Croydon has a seat on the fund's advisory board

As Croydon is anticipated to hold a larger percentage of the investment in Real Letting 1, it is anticipated that the Council will hold increased control of Real Lettings 2.

(Approved by: Lisa Taylor, Assistant Director of Finance and Deputy Section 151 Officer)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Acting Council Solicitor and Acting Monitoring Officer confirm that the Council has obtained external legal advice on this matter and comments that there are no direct legal implications arising from the recommendations in this report.

Approved for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no human resources impacts to note.

(Approved by: Deborah Calliste: HR people Department Lead Human Resources)

8. EQUALITIES IMPACT

- 8.1 The scheme will impact positively upon homeless families in reducing the amount of time spent in bed and breakfast and move them to more suitable forms of self-contained PRS accommodation. There may be a negative impact on families that need to move out of their local area to secure suitable accommodation and this impact will be mitigated as much as possible through the support mechanisms.

Analysis carried out in relation to the housing strategy, draft homelessness review and the St St Mungo's Social Impact report identified a number of different groups with protected characteristics that are more likely to be in housing need or homeless. Homeless households with "family commitments", when compared to the general population, are

- More likely to be younger
- More likely to be from the BME community,
- More likely to be headed by a female, and
- As a household are more likely to be headed by a lone parent
- More likely to have dependent children
- More likely to be pregnant

The scheme will build on the previous scheme Real Letting scheme and ensure that households will not spend as long accommodated in emergency bed and breakfast accommodation (regarded as "unsuitable" if provided to a household with dependent children or a pregnant family member for more than six weeks), and the council will be in a position to offer more suitable, self-contained PRS accommodation more quickly and within government timescales.

9. ENVIRONMENTAL IMPACT

9.1 No specific adverse environmental impacts have been identified resulting from the proposals contained in this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 No specific adverse crime and disorder impacts have been identified resulting from the proposals contained in this report

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 Local authorities are required to provide accommodation to homeless households in accordance with the provisions of Part VII of the Housing Act 1996. In discharging this duty local authorities must ensure they comply with the requirements of Homelessness (Suitability of Accommodation) (England) Order 2003 (SI 2003/3326) and ensure that homeless households with dependent children or that include someone that is pregnant are only accommodated in bed and breakfast shared accommodation in an emergency and then for no longer than six weeks. The council is now compliant with this requirement but is at risk of becoming non-compliant each week and it is therefore recommended as reasonable to invest a further £15m in real Letting 2 Scheme to enable Croydon to comply with its statutory duties. It is requested that Cabinet provide delegated authority to the Section 151 Officer and the Cabinet Member for Housing to approve the investment method.

CONTACT OFFICER:

Name:	Mark Meehan
Post title:	Director of Housing
Telephone number:	0208 760 5474

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: Equality analysis

For General Release

REPORT TO:	CABINET – 12th December 2016
AGENDA ITEM:	9
SUBJECT:	Digital inclusion
LEAD OFFICER:	Graham Cadle, Director of customer and transformation
CABINET MEMBER:	Councillor Mark Watson, Cabinet Member for Economy & Jobs
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>In the current financial climate it is critical for the Council to maximise the use of its resources towards the highest need and greatest impact. Ambitious for Croydon outlined the overall need to protect front-line services whilst providing value for money. A key approach to reducing costs in areas where less support is required has been through digital services. Over £6.3m has been saved by the Council to date by assisting residents to self-serve and to raise requests for services, bookings and make payments automatically.</p> <p>However even more importantly digital services provide enormous opportunity for residents and businesses to maintain and increase their independence, to reduce their costs and to ensure they can communicate and be part of the community. The Council have committed to ensuring Croydon becomes a fairer place for all who live and work here and therefore having access to digital services is key for all. Access to digital services reduces a family’s costs, is really important in helping someone find employment and provides huge benefits to assist communicating and feeling part of the community. These are enablers for every person to reach her or his full potential. As the digital agenda continues to speed up the gap for those unable to access digital services will become larger and in many cases those most in need will be unable to access key support. Therefore, working with partners, the community and shaping our own services to support as many people to be able to access wider digital services, whilst supporting those unable to, is a significant priority.</p>	
<p>FINANCIAL IMPACT</p> <p>Over £6.3m has been saved to date through the Digital and Enabling project. There are also a number of improvement and efficiency workstreams across the Council where digital services support the solution and future approach. Which will enable further savings to be generated in the future.</p>	
<p>KEY DECISION REFERENCE NO.: Not a key decision</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations contained within this report:

1. RECOMMENDATIONS

The Cabinet is asked to note the outcomes of the GO ON Croydon programme, and endorse the proposed next steps as detailed in this report.

2. EXECUTIVE SUMMARY

- 2.1 The Cabinet paper of 15th December 2014 outlined the approach to providing digital services and the principles the Council would be taking into account to maximise digital inclusion and to ensure those unable to access digital services were not left behind.
- 2.2 It detailed the below areas of focus with a view to supporting and developing capacity in the community;
 - Digital skills – being able to use computers and the internet
 - Connectivity – access to the internet
 - Accessibility – services will be designed to meet all users' needs, including those dependent on assistive technology to access digital services.
- 2.3 As a key work stream to progress this work a report was brought to Cabinet on 16th November 2015 detailing the GO ON Croydon digital inclusion program, which was to run from December 2015 for a year. The program, which was the first such program in London, brought the UK digital skills charity and a number of their partners from across private, public and voluntary sectors to Croydon to promote and develop basic digital skills.
- 2.4 A further paper to cabinet in June 2016 updated members on the progress to date and provided some of the detail of the specific project streams and examples of the benefits to the community and Council to date.
- 2.5 The GO ON Croydon project closing event was held on 1st December and whilst the evaluations from the project are not yet fully complete, this report further details the deliverable from the projects and the arrangements now in place to ensure this initial work continues and is built on.

3. DETAIL

- 3.1 The Governments digital inclusion strategy (2014) outlined a number of key statistics with regard to digital inclusion and since then further surveys and analysis have suggested that the loss to a family of not being on-line could be £1,000. It

also showed speed with which digital services are progressing and the potential gap could increase further.

GO ON Croydon

- 3.2 The UK digital skills charity GO ON UK, founded in 2012 by its chair, Martha Lane Fox actively seek out and work with partners across the public, private and voluntary sectors to identify opportunities and develop programs that improve digital skills among people and organisations across the UK.
- 3.3 GO ON UK have determined a minimum level of skill someone should expect to have to be seen as digitally literate;
- 3.4 The year long program was launched on 9th November 2015 and included a number of initiatives;
- Baseline statistics to better understand exclusion and to monitor progress through the program
 - Provision of a number of digital zones across Borough
 - Development of a network of digital champions
 - Delivery of a number of deep dives, testing specific approaches to digital services – providing analysis and evaluation for each in order to understand how they can be utilised going forward
 - Facilitate a sustainable network of resources and organisations to further develop basic digital skills for all
- 3.5 The project has been overseen by a local partnership board jointly chaired by Croydon Council and GO ON UK. A number of local and national organisations were represented on the board, which checked progress against key targets and identified further working opportunities.

Understanding the Croydon Context

- 3.6 In the initial months of the project two pieces of research have given insight into where digital support is most required for Croydon. This was used by the project alongside specific service knowledge and current resident support provided directly by the Council and its partners. The work was

1. GO ON UK – Digital Exclusion Heatmap

Developed with support from BBC, LGA, The London School of Economics and Political Science in association with Lloyds Bank.

www.go-on.co.uk/resources/heatmap

Likelihood of overall exclusion – **LOW**

Infrastructure – 5.4% of households in Croydon do not receive broadband speed of at least 2 megabits per second (Mbps).

Access – 10.3% of adults in Croydon have all five Basic Digital skills

Basic Digital skills used – 34% of adults in Croydon have used all five basic digital

skills in the last three months.

2. Go On Croydon baseline (Lloyds bank survey)

85,000 adults in Croydon do not have basic digital skills

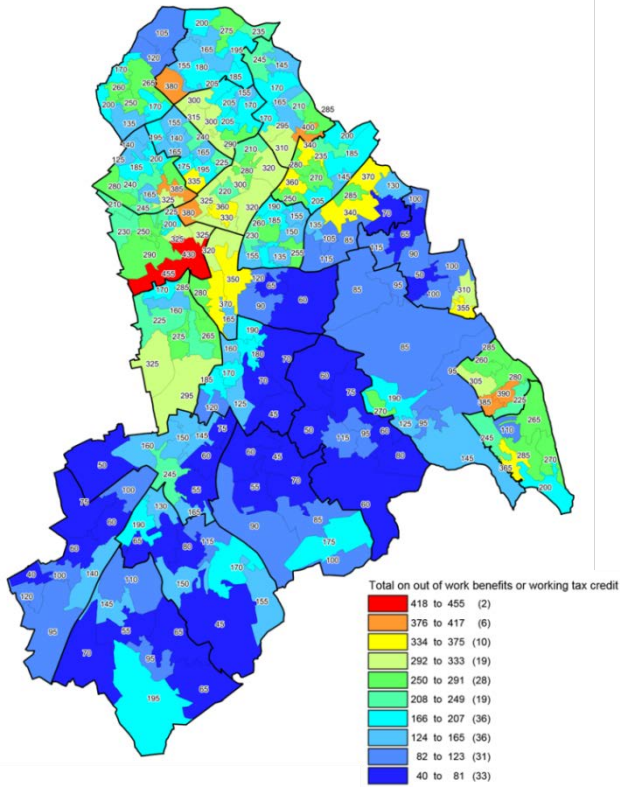
35% of C2DE (*skilled working class*; skilled manual workers, *working class*; semi-skilled and unskilled manual workers and *non working*; casual or lowest grade workers pensioners and other who depend on the welfare state for their income.) lack basic digital skills

40% of low income households lack basic digital skills (compared to just 8% of high income households)

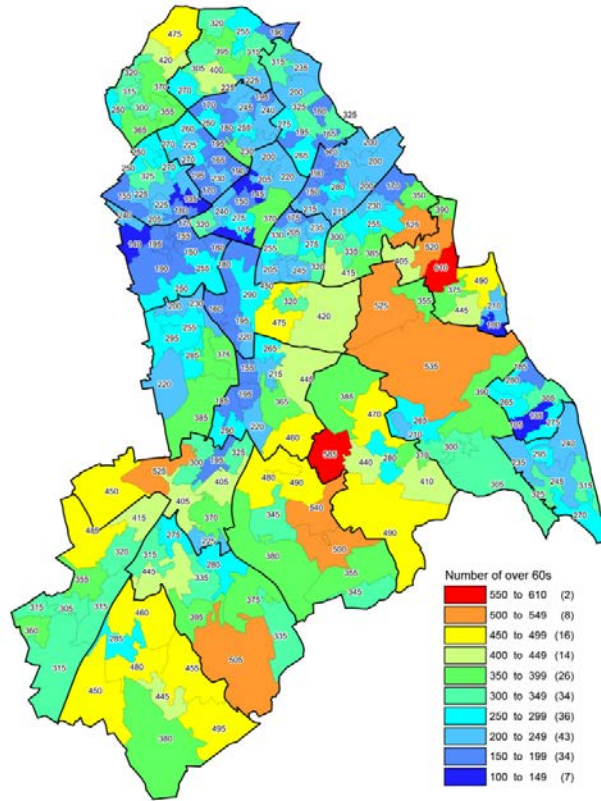
64% of over 65's lack basic digital skills.

- 3.7 Whilst this information is still fairly high level the Council have used it both internally and with our GO ON partners to check back with our plans and tailor where appropriate. It has been agreed this will add further focus for older people and low income families. Mapping those customer groups geographically shows as below. The last map shows the network of support facilities that have been set up through the GO ON Project;

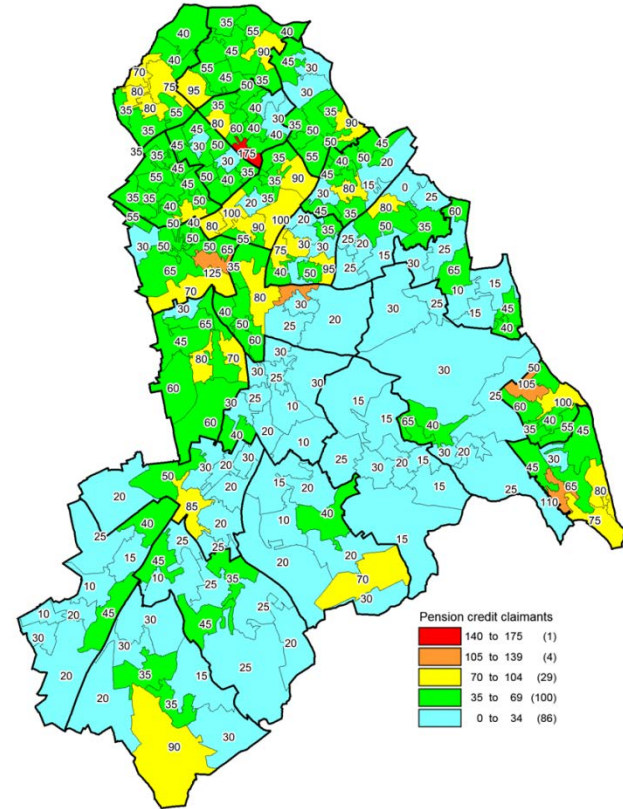
Low income working age adults



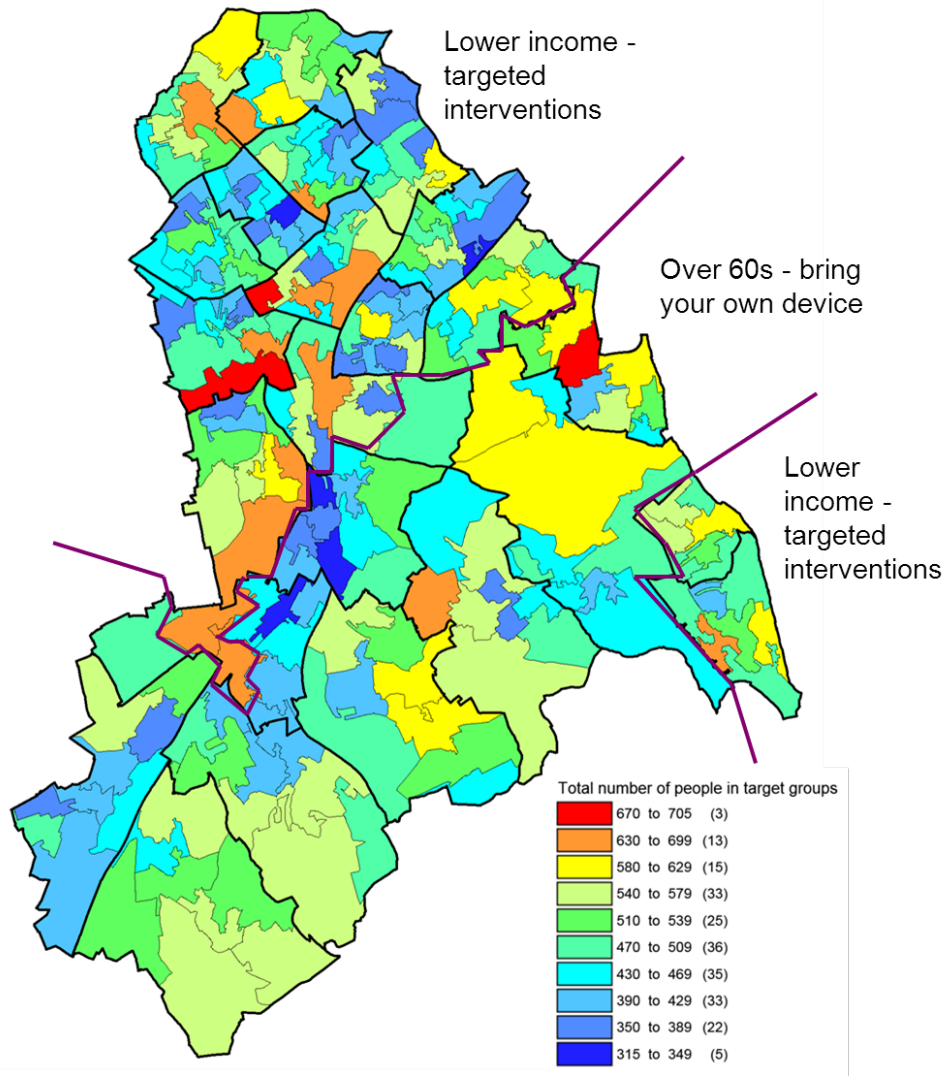
Over 60's



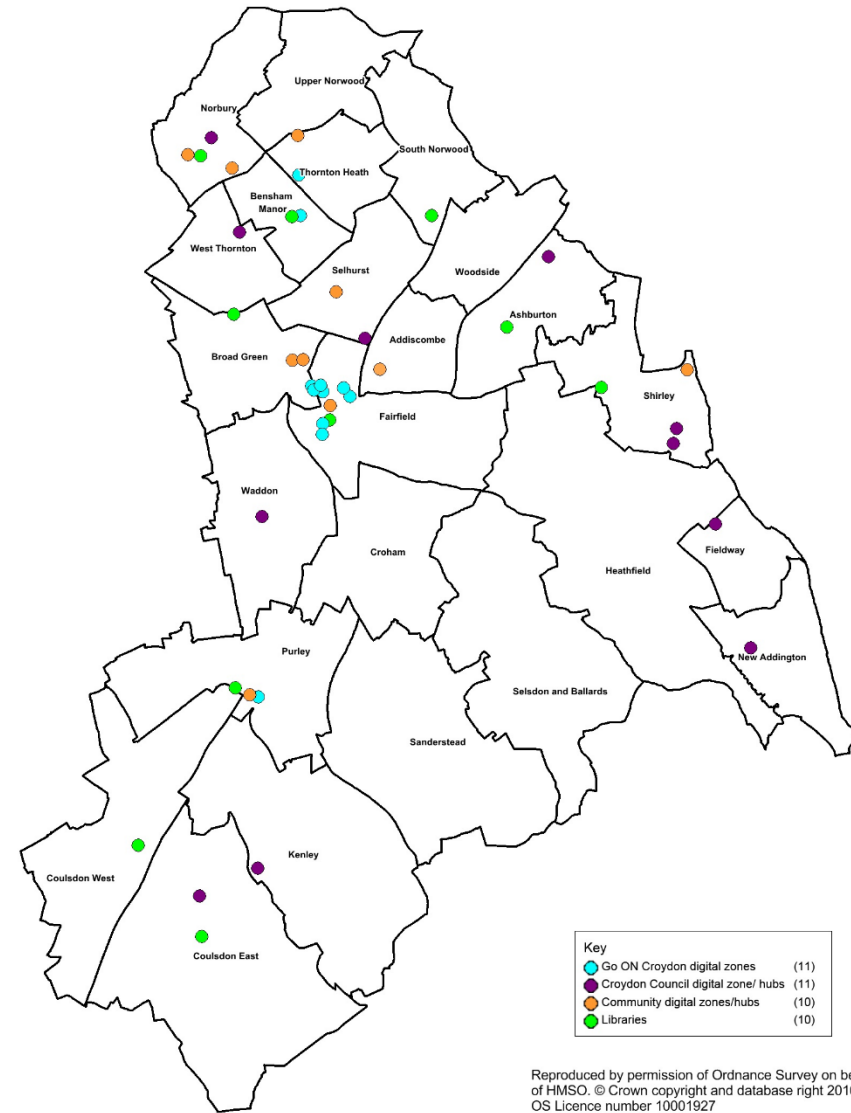
Pension Credit Claimants



All customer groups



Digital zones and hubs in Croydon



3.8 The digital zones shown in the above map are being delivered as part of the Go On Croydon program through a number of partners. The Digital zone in Access Croydon was the first ever such facility and it has been a key way of providing support and assistance to residents generally, but also those accessing Council services.

3.9 Whilst the Council do not have the final figures for the year –the below table provides headline figures for the impact and success of the digital zones;

- **Number of venues provided across the borough** **42**
- **Number of sessions provided/zones open** **490**
- **Number of people assisted** **2,900**
- **Customer feedback;**
 - **% feel more confident from visit** **100%**
 - **% feel skills have improved** **94%**

Figures include estimate for last month for project.

3.10 The Council are currently confirming which facilities will continue beyond the project, however, have already confirmed the Access Croydon, Lloyds bank and Age UK facilities will continue alongside the library and community facilities now in place. The Council hope to continue to build on this early in the new year

Council digital service development and take-up

3.11 The Council has continued to develop its own on-line services and to deliver significant efficiencies and improved options for engaging and working with residents and local businesses. The digital inclusion work is a key aspect to support these efficiencies and has provided a number of examples of where support to use Council on-line services has assisted residents to gain/access wider learning and opportunities. Whilst new services such as green waste and landlord licencing have been implemented digitally, arrangements are in place for customers unable to access digitally to be supported appropriately. Some details of take-up and a summary of performance figures to date are given below;

Heat map of customer sign-ups (below); shows take-up across the Borough geographically to be generally in line with population



Age Profile of MyAccount sign-ups

	0 to 17	18 to 24	25 to 39	40 to 64	65 +	TOTAL
Age Profile of MyAccount sign-ups	1,115	6,339	39,960	48,361	8,607	104,382
Population for Croydon for 2016	94,768	28,450	89,885	121,888	49,886	384,877
% of sign up as proportion of pop.	1.2%	22.2%	44.5%	39.7%	17.3%	27.1%

Source: GLA Population projections, 2014 round, based on 2014 BPO data, capped household size variant (standard model), 31st March 2015
 Not all customers provide their age as part of MyAccount sign-up

Number of New Users

Time frame	Number
July 2013 - March 2014	26,743
April 2014 – March 2015	49,221
April 2015 – March 2016	76,506
April 2016 - Nov 2016	28,787#

pro rata for full year would equate to 43,180 new users

On-line service usage (*My Account opened July 2013 but different services have varying start dates from them*)

Service	Total (mid Mar)	Total (mid May)	Total (mid Nov)
Registrations for MyAccount	148,738	160,064	181,263
Rents - value of payments taken	£10,364,570	£11,657,294	£15,657,217
Overall value of payments taken	£20,560,837	£22,412,067	£27,374,506
Planning appointments booked	1,194	1,325	1,542
Repairs reported	9,791	10,692	12,981
Ordering waste bins	29,129	33,557	41,905
Missed collections reported	23,277	28,414	42,665
Building Control applications	1,523	1,675	2,031
Housing Register - customer registered	4,424	4,573	4,967
Bulky waste collections booked and paid	24,688	27,412	34,551
white goods collection booked and paid	4,119	4,653	6,020
Online env reports received	30,361	34,107	44,071
Housing appointments made	6,484	6,989	8,347
Council Tax sign-ups	20,857	23,147	26,924
Benefit sign-ups	2,314	3,177	3,596
Business Rates sign-ups	1,459	1,535	1,840
Private Rented Property Licences	22,591	23,029	24,124
Garden Waste sign-ups	10,033	14,379	16,591
Housing Application and self-help tool		6,448	8,347
Mobile App Downloads	16,009	17,154	19,631
Mobile App Reports	15,900	17,626	21,476

3.12 The above table only includes functions provided directly through the councils MyAccount and mobile app services. We are continuing to work with contractors to pull such information into the overall approach. For instance significant additional on-line services have been provided for parking recently that have delivered service improvements alongside efficiency.

RECYCLING EQUIPMENT INTO THE COMMUNITY

3.13 During 2016 the Council updated its ICT equipment as part of its contract with Capita, as the equipment was unable to run on the latest operating systems, in some cases was unsupported and in order to provide a number of service efficiencies and accommodation savings.

3.14 Whilst the equipment is not fit for the business environment, the Council has been able to partner with a charity to bring some of the equipment back into use. The Council's partner organisation will be responsible for safely deleting data from the machines (in line with government guidance), refurbishing the equipment and providing basic operating and software licences to make this possible. Bearing in mind the age and wear of the equipment only a percentage will be usable and others will be needed as parts. The arrangement allows a percentage of devices to be made available free of cost and a number to be sold at a minimal £29.99 cost.

3.15 As the implementation of new equipment in the Council is only now coming to its completion the Council cannot be sure of the final number of pieces of equipment this will provide. As at 17th November 2016, from just over 700 devices being passed across to the charity;

- 196 laptops/pc's available for donation
- 147 laptops/pc's available for sale

3.16 The Council has advertised the availability of this equipment through community and various local network groups who are looking to provide digital skills training. In return the Council asks that the organisations make a commitment to supporting local people in order to benefit from the offer. Where appropriate the Council have also then supported in arranging for digital champions to help deliver training and various other support to get initiatives off the ground. The Council are also linking this equipment into Council services supporting specific groups and individuals to ensure digital inclusion is part of a number of support arrangements.

3.17 To date interest has been as below;

- | | |
|---|------------------------------|
| • Total number of donated devices | 66 |
| • Organisations now in receipt of donated devices | 7 (further 7 being arranged) |
| • Organisations purchasing equipment | 6 (further 2 being arranged) |

- Requests currently under consideration
- Organisations include; community centres, sheltered housing, churches and religious organisations, public house, various third sector organisations

12

- 3.18 The supply of affordable equipment to support community organisations to set up local digital skills facilities is a key part of the approach to build community capacity and capability, improving skills across the Borough and the further equipment expected from the Council's replaced equipment is providing a significant impetus to the work.
- 3.19 Moving forward the Council will continue to work with community organisations to understand where this will assist and how we can work with partners to provide digital champions and other support to assist start-up and further build a support network in the community.

PARTNERSHIP INITIATIVE

- 3.20 The following paragraphs list a number of other initiatives and work streams developed through partnership working as part of the project.

Pop-up digital zones

- 3.21 Two specific day long sessions have been held, in the town centre and Surrey Street market, where partners have come together to resource a stall for the day, providing support, advice and sign-posting.
- 3.22 The Surrey Street event tied in with a Council initiative to provide free Wi-Fi in that area, to promote both businesses, including market stalls, and customers to use the area in a different way. The Council have funded the Wi-Fi for an initial period with one of the businesses taking ownership for a webpage promoting the facilities and retail opportunities. Support was provided to businesses as to how they can utilise this facility and digital opportunities to build their business, and to shoppers/visitors to the area to raise awareness.
- 3.23 On Saturday 23rd July, Croydon Council and many of the GO ON Croydon partners ran the first Digital Day in North End. The aim of the event was to drive up awareness of the importance of digital skills, and of the activities taking place to increase individual skills and confidence. The event was supported by volunteer Digital Champions from Doteveryone, Lloyds, Argos, U3A, Age UK, CVA, the Met Police, the local community and Croydon Council. Argos and EE provided tablets and connectivity for instant online 'how to' guidance, and the Council were able to reward engagement with some well stocked goody bags thanks to Croydon Council, Argos and Lloyds. At least 300 people engaged with the team. The questions posed were varied both in terms of what people wanted to learn about, and the devices they are using. Equally, many people made the point that even though they were confident

in their own digital skills, they knew of a relative or friend who could do with some guidance and coaching. This gave the opportunity to signpost those people in need of support towards the Digital Zones in Croydon. Discussions about how Croydon Council can run similar events in future (ideally in areas outside the town centre) are ongoing.

Integrating our library offer into the approach

- 3.24 On the afternoon of Thursday 20th October, Croydon Central Library held their first “meet and greet” digital engagement day. This was supported by Digital Champions from Croydon Council, Lloyds, JCP, the Met Police cadets, Doteveryone and the library. Despite the library footfall numbers being in line with the usual level, the number of people engaged (25) was quite small. However, the depth of some of those engagements was quite strong. One example is an older lady is an artist, and was shown how to attach photos of her artwork to her emails to send to galleries. This was something she had not been able to do previously, and she fed back that the time spent had been very helpful. There are a number of learning points under consideration for future events such as increased advance promotion (in the library and elsewhere), setting up in a more accessible part of the library in order to catch people passing by more readily, and testing the approach in a different library outside the town centre.
- 3.25 Following on from this initial meet and greet session, Croydon’s library partner Carillion is keen to run further sessions. Further work is now underway to ensure those sessions are more engaging, and how they might be rolled out into areas outside the town centre. There is now a strong partnership to align the digital inclusion work with the service initiatives in the libraries to help develop new areas as a space and place for communities to use.

TWITTER in Croydon

- 3.26 As part of Doteveryone’s relationship with Twitter, on 6th May almost 50 small businesses and charities from Croydon took part in a one day workshop in the Centrale Shopping Centre. The workshop (the first of its kind) was designed and tailored to help these groups to understand how social media (not just Twitter) could help them to reach out to customers, donors, volunteers and potential partners in a more effective way. Twitter’s participation was part of their FridayForGood volunteering day (twice a year across the entire company, and across the world), and six expert volunteers came down to Croydon for the day. Feedback from the participating small businesses and charities was universally positive, and not surprisingly many of them tweeted about the workshop to say how much they had learned. Comments such as “really helpful”, “a very good use of my time” and “I learnt so much” were commonplace. Equally importantly, many of the participants took the opportunity to speak to each other and build their network. Superhighways has also taken the same concept forward and ran a further workshop in June with more in the pipeline.

Deep Dive Projects

3.27 The June report to Cabinet detailed a number of deep dives projects working with various partners to produce fully evaluated outcomes from specific workstreams. Those projects have or are now coming to a close, but the evaluations are not complete at this time. The evaluations are being delivered by specific partners and the Council are working closely to ensure we can benefit from those pieces of work. Updates on a two of the projects that are further evolved are detailed below;

Digital Connect

3.28 The Digital Connect pilot project was a unique cross sector collaboration between Accenture, Doteveryone, Lloyds Banking Group and Seetec. It was designed to build understanding around two aspects of the digital skills issue. Firstly, to help small businesses/charities to appreciate more fully their potential to grow their digital capability via attending a digital workshop. Secondly to identify young people not in employment, education or training but who had some digital skills. They were then matched to the engaged small businesses/charities in order to help the businesses grow their digital capabilities, simultaneously giving young people valuable work experience.

3.29 The project met its objectives and proved that the concept behind the approach is valid. Whilst volumes were relatively small (48 businesses/charities and 14 young people took part), the findings of the pilot showed positive trends with the digital importance, digital skills and digital confidence of the businesses/charities and young people increasing. Additionally, the workshop had a positive impact on the perceived financial benefit of digital for the businesses/charities and increased the likelihood the businesses/charities would employ a digital expert. 79% more of the businesses/charities' increased their agreement with the statement "I have the knowledge and experience I need to make my business/charity more digital", compared to the start.

3.30 From the young people's viewpoint, overall they improved their digital skills by 73% and their employability skills by 44% (comparison between the beginning of the training and the end of the work experience). Within 6 weeks following the programme, 70% of the young people progressed to a positive outcome (i.e. apprenticeship, employment, further education).

Supporting homeless people

3.31 This project was set up as a partnership between Crisis, EE, Doteveryone and Croydon Council. The project aims to understand and work to remove the barriers to digital inclusion for the homeless and provide them with an opportunity to become Digital Champions and help their peers. The project uses 90 EE provided smart phones with £50 of pay as you go credit (released in £10 increments). To obtain a phone, Crisis members take part in two training sessions (held on successive days) of between two and three hours. Since the sessions started in the summer Crisis has trained the first 19 people, with more to follow in the Autumn term.

- 3.32 The mix of participating members has varied widely and includes sofa surfers, hostel dwellers, and women living in a refuge following domestic violence issues. Feedback has been positive across the board including comments such as “this will genuinely change my life for the better”, “if you’ve got a smartphone, you’re winning” and “now I can see why everyone is into these b****y phones so much”. The literacy and digital skills of the participating members vary widely. For some for whom basic literacy is a challenge, using a smart phone and keypad can be a difficult process.
- 3.33 Discussions are already taking place with EE and Crisis on how this pilot might be able to be scaled up to a pan-London or even national level. Significant funding would be required to achieve this, but the purpose of the pilot is to show the art of the possible.

TAKING THE APPROACH FORWARD – OUR NEXT STEPS

Partnership Steering Group

- 3.34 It has been agreed by most members of the current group to continue the commitment – including Croydon Council, Lloyds bank and Age UK. The Council have agreed that early in the new year it will look to add further members, particularly from community and third sector groups and to review the boards purpose based on the findings from the project and those organisations key digital objectives. The Council have shaped a part-time role as part of the investment to support its digital and enabling savings to support and help drive the partnership arrangements.

Digital zones

- 3.35 The Council already have a commitment to continue the Access Croydon arrangements, as have Lloyds bank and one location for Age UK. The libraries will continue to provide and develop their approach and those community led facilities detailed earlier in the report will remain. A focus of the use of recycled equipment will be to further develop more self-sustaining locations with digital services across the Borough. Doteveryone are progressing an “out of the box” digital zone solution to be taken forward nationally and the Council will look to help develop that tool with Doteveryone and then potentially utilise such a tool.

Recycled equipment

- 3.36 The Council will further look at identifying the right organisations to support with equipment, to broaden the offer across the borough and different sectors of the community. The Council will link the availability of the equipment to commitments

to support those areas of our Borough that most need it. Wherever possible continue to be the link to assist organisations to leverage other support such as digital champions, funding opportunities (including local Council initiatives) and good practice. It is expected that potentially a further 400 pieces of equipment will be available to the community.

Specific events including integration of libraries

- 3.37 The Council will look to replicate successful local events, as detailed earlier in the report, targeting both residents and local businesses to increase skills and access. The level of this work will depend on the success of continuing to maintain and build partnerships arrangement to support and resource that work. As above that work will be focused wherever possible in areas identified as requiring further support as well as the wider Borough.

New technologies and local tech start-ups

- 3.38 The Council will continue to trial and support new opportunities such as a trial of tablet devices to assist adult social care case to keep in touch with friends and family and the free Wi-Fi in Surrey Street as explained above. As further options become available the Council will continue to see how such options can assist Council services as well as those of our partner organisations. The Council will also look to further develop its links and partnerships with the local tech set-ups to support and assist that work, utilising where appropriate approaches such as “hackathons” to develop new ideas tailored to local needs.

Growth zone – infrastructure

- 3.39 The growth zone includes a workstream to improve the broadband and Wi-Fi connectivity across the Borough. This is still in a very early stage but the Council expect to develop firmer plans for this work and opportunity early in 2017 and will present a further report to Members for consideration once such plans are more developed.

Providing one stop info hub/network

- 3.40 Through the partnership work and building knowledge of resources and solutions available to support digital inclusions, the Council will look to provide advice and signposting for anyone looking to improve skills or provide support. There are significant resources and assistance available but it is often difficult to know it is there and how to find it. A key role for the Council will be in improving that awareness for residents, communities and local businesses and linking need to supply whilst building partnerships across the community.

4. CONSULTATION

4.1 There is no further consultation required

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

REVENUE AND CAPITAL CONSEQUENCES

5.1 The continuation of the GO ON Croydon programme will be met from existing financial resources.

5.2 Where specific projects and innovations show there is a wider opportunity, they will be built into specific business case for approval through normal channels.

RISKS

5.3 There is a risk that if the right support is not provided the Council will be unable to meet projected budget savings as we will be unable to support customers across to cheaper and more effective online services.

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

6. COMMENTS OF THE BOROUGH SOLICITOR AND MONITORING OFFICER

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

Approved by: Jessica Stockton, Solicitor for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer.

7. HUMAN RESOURCES IMPACT

7.1 There are no direct or immediate Human Resources considerations arising from this report for Croydon Council staff or workers.

Approved by: Jason Singh, HR Business Partner.

8 EQUALITIES IMPACT

8.1 Equality assessments are being carried out for each individual workstream where appropriate. There is also a full assessment progressing for the overall program.

9. ENVIRONMENTAL IMPACT

9.1 There are no implications for this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no implications for this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 To advise members on the approach and expected benefits of the work and findings to date .

12. OPTIONS CONSIDERED AND REJECTED

12.1 Not providing appropriate support to our community would see many residents fall further behind in the digital agenda and lose out on various financial and social opportunities. This would also have a negative impact on the Council in terms of cost and also support for those then unable to live as independently.

12.2 Funding such work and providing it directly would have a very significant cost and be far less successful as the Council would not be able to reach all areas of the community, and would not have the skills and equipment required.

CONTACT OFFICER: Graham Cadle, Director of customer and transformation
(0208 726 6000 ext 63295)

BACKGROUND PAPERS: none

For General Release

REPORT TO:	CABINET 12 December 2016
AGENDA ITEM:	10
SUBJECT:	Ofsted Inspection of Croydon Adult Learning and Training (CALAT) on 12 and 13 October 2016
LEAD OFFICER:	Barbara Peacock, Executive Director, People Jane Doyle, Director of Universal People Services
CABINET MEMBER:	Councillor Alisa Flemming, Cabinet Member for Children, Young People and Learning
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>The Report supports the delivery of the Corporate Plan 2015-18 priorities;</p> <ul style="list-style-type: none"> • To enable people of all ages to reach their potential through access to quality schools and learning • To enable more local people to access a wider range of jobs 	
<p>FINANCIAL IMPACT</p> <p>The will be no financial impact on the Council's revenue budget</p>	
<p>KEY DECISION REFERENCE NO: This is not a key decision</p>	

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

1. RECOMMENDATIONS

The Cabinet is recommended to

- 1.1. Note the outcome of the Ofsted Inspection of CALAT (shown as appendix 1), which took place on 12 and 13 October 2016 and which reports that CALAT continues to be a Good Provider

2. EXECUTIVE SUMMARY

- 2.1 On 12 and 13 October 2016, Ofsted undertook an inspection of the Adult Learning Service, CALAT.
- 2.2 The purpose of the inspection was to establish the quality and impact of the service on Adult learners as measured against *Ofsted's Common inspection framework: education, skills and early years*.
- 2.3 Following the most recent review of the framework in September 2015, Ofsted introduced Short as well as Full inspections. Short inspections are for providers who were previously judged to be Good at the last inspection. The Short inspection will determine whether a provider continues to deliver a good standard of education/training for learners.
- 2.4 CALAT underwent a short inspection in October 2016 by a team of 4 inspectors. The report is shown at appendix 1. This was the first inspection carried out since the service was judged to be Good in June 2010.
- 2.5 The outcome of the October 2016 Inspection was that the service was found to be Good.
- 2.6 The Inspection outcome was based in part on the strong performance of the service delivering high levels of learners achieving (89%) combined with excellent levels of retention (94.3%) making Croydon one of the best performing authorities in the country. Locally, of the 5 Local Authority Adult Community Learning providers in the sub region, we are one of 4 that are judged to be Good with the remaining 1 provider being judged as In Need of Improvement.
- 2.7 **Background**
 - 2.7.1 The Inspection Framework for Adult Learners:
Inspections of further education and skills providers cover a wide range of provision. They are:
 - 16-19 study provision
 - Apprenticeships
 - Adult learning

- Traineeships
- Provision for Learners with high needs
- Full time provision for 14-16 year olds

Inspectors will make overall judgements on the:

- effectiveness of leadership and management
- quality of teaching, learning and assessment
- personal development, behaviour and welfare
- outcomes for learners

2.7.2 Inspectors draw on a wide range of information in order to help them make a judgement. Besides the achievement rate for learners they also observe and judge the quality of teaching and learning as well as getting the views of managers, tutors, partners and most importantly, the learners.

2.7.3 The key document for the inspection team is the Self Assessment Report. This is produced annually by the provider and is the judgement by the organisation as to how well they consider they are performing. The inspection team will consider the accuracy of the judgement, and therefore, the prospect that the service will continue to improve.

2.7.4 There are two forms of inspection – a Full inspection or a Short inspection. The Full inspection can take up to 4 days to complete and can consist of 4 or more inspectors, depending on the size of the organisation. At the end of the Full Inspection the organisation is then judged to be one of the following 4 categories:

- Outstanding
- Good
- In Need of Improvement
- Inadequate

2.7.5 As indicated above an organisation previously judged to be Good may be eligible for either a Full or Short Inspection. A Short Inspection will consider the following:

- whether the provider remains good
- whether safeguarding is effective or not
- the capacity of all leaders, managers and governors to drive continued improvement
- how well the provider has dealt with any areas for improvement identified at the previous Full inspection or areas identified as requiring attention following a previous Short inspection.

2.7.6 There are three possible outcomes for a Short inspection:

Outcome 1: the provider continues to be a Good provider

Or

Outcome 2: the provider remains Good and there is sufficient evidence of improved performance to suggest that the provider may be judged Outstanding, in which case, the short inspection will be converted to a Full inspection

Or

Outcome 3: the inspection team has insufficient evidence to satisfy themselves that the provider remains Good or there are concerns, in which case, the Short inspection will be converted to a Full inspection.

3. DETAIL

3.1. The process

3.1.1 During the two days, inspectors interviewed a wide range of people including the Cabinet Member for Children, Young People and Learning and her deputy, senior officers, service managers, tutors and most importantly, learners. In addition, the inspection team undertook a wide range of observations of teaching and learning and assessment in all three CALAT centres and the community.

3.1.2 The inspection was a concentrated period of activity, checking that the judgements the council published in its Self Assessment Report were accurate and properly reflected those areas of the service that were good or outstanding and those areas that needed further improvement.

3.2. The outcome of the inspection

3.2.1 Ofsted published the report on their website on 28th October 2016. This is shown at appendix 1. The report contains the strengths and changes that CALAT need to make to become an Outstanding Provider. The inspectors found that:

- The leadership and management of CALAT continue to be good, and ensure that learners needs and priorities continue to be at the centre of our work, irrespective of the significant management changes and financial challenges over the last few years.
- CALAT is highly valued and regarded in the wider work of the council and by local communities, as well as by the borough's councillors, senior managers and by Croydon's residents.
- Since the last inspection in 2010, outcomes are much improved, with high achievement for learners, both for accredited and non accredited provision.
- Councillors and senior council officers carefully review the work of the service, maintain good contact with its managers, staff and

learners and have a good understanding of CALAT.

- CALAT continues to have a good capacity to make improvements.
- More work needs to be undertaken to ensure personal learning plans are of a consistently high standard and comprehensively well used by tutors and learners to maximise learners progress.
- Safeguarding is effective. The leadership team has ensured that safeguarding arrangements are fit for purpose and action is taken to safeguard CALAT's learners.

3.3 Next Steps

3.3.1 In order to become an outstanding provider, CALAT needs to ensure that:

- Teaching, learning and assessment are consistently good or better.
- Building on existing good practice, all personal learning plans are comprehensively well used by tutors and learners.
- Based on the service's very good understanding of the areas that require improvement, write a more rigorous quality improvement plan.
- Improve achievement in the very small number of poor performing courses especially foundation and GCSE mathematics.

3.3.2 As long as learners with CALAT continue to achieve at the current levels or better and assuming there is no significant changes in the management of the service that could impact on learners, it is likely that the service will not be inspected again before 2020. The Lead Inspector indicated that unless there are national changes to the Inspection process the next inspection is also likely to be a Short inspection.

3.4. Responding to the findings of the Inspection

3.4.1 The Council are committed to responding to the outcomes from the inspection, ensuring that there is effective learning from the process and appropriate action taken:

- The service are integrating the Inspection findings into the next Self Assessment Report (SAR) and the Quality Improvement Plan(QIP) that details the actions to be taken to deal with any issues emerging out of the SAR.
- The SAR and QIP will be reviewed by the CALAT Advisory Governance Board before being taken to the People Department's Leadership Team for approval in December 2016, before being submitted to Ofsted by the end of the calendar year.

- The Advisory Governance Board will regularly monitor progress against the QIP and where appropriate, introduce additional targets to further stretch and improve the quality of teaching and learning available to adult learners across the borough.

4. CONSULTATION

4.1 There are no needs for consultation arising from this report.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 There are no financial considerations or risk with this report.

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

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 There are no legal considerations or risks with this report.

(Approved by: J Harris Baker, Acting Council Solicitor and Acting Monitoring Officer).

7. HUMAN RESOURCES IMPACT

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

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

8 EQUALITIES IMPACT

8.1 The Council is continuing, through its work, to reach the most disadvantaged adults across the borough, providing high achievement rates above the national average. There is a small area of underperformance in Functional and GCSE mathematics that needs to improve. This will be built into the Quality Improvement Plan for the 2016/17 educational year.

9. ENVIRONMENTAL IMPACT

9.1 There are no direct implications contained in this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no direct implications contained in this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 This report is for information and there are no recommendations other than to note its contents.

12. OPTIONS CONSIDERED AND REJECTED

12.1 Not relevant.

CONTACT OFFICER: Jane Doyle, Director Universal People Services, People Department; Tel: 0208 760 5671; Extension 65671

Appendix 1: Report from Ofsted published on 28 November, outlining the findings of the Short inspection of Croydon Adult Learning and Training (CALAT) which took place on 12 and 13 October 2016

BACKGROUND PAPERS – LOCAL GOVERNMENT ACT 1972: None

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23 November 2016

Mr Jim Austin
Interim Head of Adult Learning
Croydon Adult Learning and Training
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk
Croydon
CR0 1EA

Dear Mr Austin

Short inspection of London Borough of Croydon, Croydon Adult Learning and Training, (CALAT)

Following the short inspection on 12 and 13 October 2016, I write on behalf of Her Majesty's Chief Inspector of Education, Children's Services and Skills to report the inspection findings. The visit was the first short inspection carried out since CALAT was judged to be good in June 2010.

This provider continues to be good.

Your learners continue to receive good-quality education and training. Learners make good progress on their courses and achieve very well. CALAT's work is highly valued, both by the borough's councillors and senior managers, and by Croydon's residents. Managers work particularly closely and effectively with managers throughout the council to promote a clear vision and mission for community learning.

Since the previous inspection, leaders and managers have continued to place improving the quality of provision for learners at the heart of their work. During the last two years, a successful and substantial structural review of the service has taken place, largely as a result of the significant reduction in funding for adult learning. Leaders and managers have taken the opportunity to better understand the educational and training needs of their local communities and employers, to help them prioritise the curriculum. Provision with poorer outcomes has been closed. Learning takes place in good-quality venues that are appropriately resourced.

Leaders and managers are strengthening the capacity to maintain and further improve the quality of provision. They now systematically use good-quality performance information as presented in your 'data dashboard' to inform their management actions, and there is good-quality overview and challenge by lead

councillors and the advisory governance board. Leaders and managers have a good understanding of what CALAT needs to do to further improve. However, this is not fully identified in the detail of quality improvement plans, to best help curriculum managers and tutors play their full part in improvement. You also understand that, although your lesson observation scheme identifies well the positive and weaker characteristics of teaching and learning, your current assessment of teaching and learning, especially for the significant proportion identified as outstanding, is too generous.

All of the areas for improvement noted at the previous inspection have been effectively actioned and are reflected in your own priorities for improvement, together with maintaining, and improving, standards of teaching, learning and assessment. You have been particularly successful in improving learners' achievements. Their overall achievement is now high, reflecting learners' good attendance and hard work, and the large amount of good teaching and learning.

Achievements for learners on a small minority of programmes, often those with small numbers, are too low. The service correctly identifies the need to improve these areas, and particularly so for foundation and GCSE mathematics, although achievement rates are well above the low national rates.

Tutors establish supportive learning environments and manage learning well. Learners with specific identified needs benefit from effective additional support; tutors implement appropriate strategies which ensure that learners are not disadvantaged or excluded from working with their peers.

Learners work well together and many make good progress. They enjoy their learning and develop good attitudes to their studies. Tutors plan for, and use, a good range of interesting tasks and activities that learners find interesting. These relate well to their interests and planned employment, and promote learning, understanding and skills development.

The majority of tutors make skilful use of questioning to check learners' understanding, encourage peer support effectively and enable learners to reflect on their learning. However, too many tutors of English for speakers of other languages (ESOL) and English are insufficiently skilled at checking learning in lessons, sometimes failing to provide sufficient challenge for more-able learners and on other occasions paying insufficient attention to the needs of less-able learners.

The effective use of information and learning technology (ILT) in lessons, an area for improvement at the previous inspection, has improved significantly. The majority of tutors use ILT well to promote more independent learning, although in English and ESOL lessons its use by tutors and learners is less well developed.

Learners' English and mathematical skills are well developed by tutors and in the better lessons they enthuse learners with appropriately paced teaching and learning

activities. Learners' speaking and listening skills in ESOL, English and vocational learning are also developed well.

You recognise that managers have more work to do to ensure that personal learning plans are of a consistently high quality and are always used well by tutors and learners. In the growing proportion of effective plans, learners identify their own clear and challenging targets and record their learning and progress effectively. However, too many plans have insufficiently challenging targets and do not always include learners' personal and social development or their development in English and mathematics.

Safeguarding is effective.

The leadership team has ensured that safeguarding arrangements are fit for purpose and action is taken to safeguard CALAT's learners. Since the previous inspection, you have kept pace effectively with the various changes to safeguarding legislation, including implementing management obligations under the 'Prevent' duty.

CALAT's specific safeguarding arrangements are thorough and comprehensive and are well integrated with those of the local authority, usefully providing another level of monitoring and review. Safeguarding training for staff and learners is sound. Learners are successfully introduced to the risks of radicalisation and extremism.

Safer recruitment arrangements are in place and well used. Pre-employment checks are carried out on the basis of the thorough assessment of risk and the different roles of staff. Risk assessment is also well used to ensure that the safeguarding of identified vulnerable adult learners, and of children, is secure.

Inspection findings

- The leadership and management of CALAT continue to be good, and ensure that learners' needs and priorities continue to be at the centre of your work, irrespective of the significant management changes and financial challenges over the last few years.
- CALAT is highly valued and regarded within the wider work of the council and by the local communities it serves. The curriculum is increasingly directed towards meeting better the priorities set by learners, the borough and employers.
- Outcomes are now much improved, with high achievement for learners, both for accredited and non-accredited provision. Achievements are too low in a very small proportion of courses.
- Leaders and managers have ensured that the quality of provision for learners remains good. Learners often benefit from good teaching and learning, which promotes the good progress that many make. In a small minority of lessons, tutors pay insufficient attention to meeting the individual needs of all learners. Overall, the quality of learners' personal learning plans are not yet good.

- CALAT's programme for judging the quality of teaching, learning and assessment successfully identifies aspects which require improvement, and managers take action to help tutors improve. However, as you have recognised, managers over-grade the quality of teaching and learning.
- CALAT continues to have good capacity to make and sustain improvements. The recent structural review has secured the place of the service within the borough's work and the competent and ambitious management team have a clear direction for quality improvement and development. They have a very good understanding of what needs to be done to further improve, although quality improvement plans do not make best use of this detailed understanding to help secure improvement.
- Councillors and senior council officers carefully review the work of the service, maintain good contact with its managers, staff and learners, and have a good understanding of CALAT's work.

Next steps for the provider

In pursuit of CALAT's aim to become an outstanding provider, leaders and managers should ensure that:

- teaching, learning and assessment are consistently good or better, particularly tutors' planning and implementation of lessons, systematic checking of learning and meeting the individual needs of all learners
- building on the existing good practice, all personal learning plans are used comprehensively and well by tutors and learners to maximise learners' progress
- their very good understanding of the quality of provision and of areas which require improvement is fully used to write more focused quality improvement plans, to help maximise improvement
- learners' achievement improves further in the very small proportion of poorer-performing courses, and especially for foundation and GCSE mathematics.

Yours sincerely

David Martin
Her Majesty's Inspector

Information about the inspection

During the inspection, inspectors were assisted by the strategic service manager, curriculum, funding and performance, as nominee. We met with you and your management team, senior council officers, tutors, learners and councillors. Inspectors observed teaching, learning and assessment, and reviewed learners' written work. We reviewed key policies and documents, including those relating to self-assessment, performance and safeguarding. We also considered the views of learners and employers.

REPORT TO:	CABINET 12 DECEMBER 2016
AGENDA ITEM:	11
SUBJECT:	QUARTER 2 FINANCIAL PERFORMANCE 2016/17
LEAD OFFICER:	RICHARD SIMPSON EXECUTIVE DIRECTOR RESOURCES (SECTION 151 OFFICER)
CABINET MEMBER:	CLLR TONY NEWMAN LEADER OF THE COUNCIL CLLR SIMON HALL, CABINET MEMBER FOR FINANCE AND TREASURY
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT:</p> <p>The recommendations in the report will help to ensure effective management, governance and delivery of the Council's medium term financial strategy and ensure a sound financial delivery of the 2016/17 in-year budget. This will enable the ambitions for the borough for the remainder of this financial year to be developed, programmed and achieved for the residents of our borough.</p>	
<p>AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:</p> <p>Strong financial governance and stewardship ensures that the Council's resources are aligned to enable the priorities, as set out in the Corporate Plan 2015 -2018, to be achieved for the residents of our borough and further enables medium to long term strategic planning considerations based on this strong financial foundation and stewardship.</p>	
<p>FINANCIAL IMPACT</p> <p>The reduced financial settlement and ongoing demand pressures on a range of statutory services, in the face of significant cuts to Government funding is resulting in pressures to the Council's budget, and resulting in a minor forecast over-spend at Quarter 2.</p>	
<p>FORWARD PLAN KEY DECISION REFERENCE NO.</p> <p>Not a key decision</p>	
<p>The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below</p> <p>1 RECOMMENDATIONS</p> <p>Cabinet is recommended :-</p> <ul style="list-style-type: none"> i) Note the current revenue outturn forecast at the end of the second quarter of 2016/17 of £0.920m over budget, and the actions put in place to reduce the overspend; ii) Note the HRA position of a £1.107m forecast underspend against budget; 	

- iii) Note the capital outturn projection of **£83.978m** forecast under spend against budget.
- iv) Approve the virements detailed in Section 5
- v) Agree an increase in the capital programme of £2.815m to fund the replacement of Pay & Display machines, set out in Paragraph 7.4.
- vi) Agree the Discretionary Business Rates Relief policy pursuant to section 69 of the Localism Act, contained in Appendix 3

2. EXECUTIVE SUMMARY

- 2.1 This report updates the Council's financial outlook at the end of the second quarter of 2016/17, which remains against a context of a series of adverse national funding changes affecting Local Government finance.
- 2.2 The financial monitoring process has identified pressures within the People department, largely as a result of a continued growth in demand for both Children and Adult social care placements as well as homelessness and against a backdrop of challenging savings objectives, although to a lesser extent than in previous years.
- 2.3 The non-departmental items are included in the budget in a very prudent manner, which is why, each year, there are favourable variances on such items.
- 2.4 The Council's overall forecast revenue over spend of **£0.920m** is made up of Departmental over spends of **£9.320m**; offset by non-departmental underspends of **£8.4m** as shown in Table 1 below:

Table 1 – Summary of forecast revenue outturn position at Quarter 2:

Department	Forecast Variance Quarter 2 £'000s	Forecast Variance Quarter 1 £'000s
People	9,553	7,238
Place	(427)	(542)
Resources	194	0
Departmental Overspend	9,320	6,696
Non-departmental items		
Additional Grant Income	(3,708)	(3,000)
Interest Receivable	(1,506)	(1,000)
Interest Payable / MRP	(1,782)	(1,000)
Contingency	(1,000)	(1,000)
Other minor variances	(404)	0
Total Non-Department Items	(8,400)	(6,000)
Total Projected Over-spend	920	696

Details of major variances are provided in Table 3, Section 4 of this report, with further information about all projected outturn variances available in Appendix 1 to this report.

3. GENERAL FUND 2016/17 REVENUE SUMMARY

3.1 The projected outturn position at the second quarter of 2016/17 is showing the effect of anticipated saving and recovery plans that will be implemented during the year. Details of major variances are set out in Table 2 below:

Table 2 – Major Variances over £500k

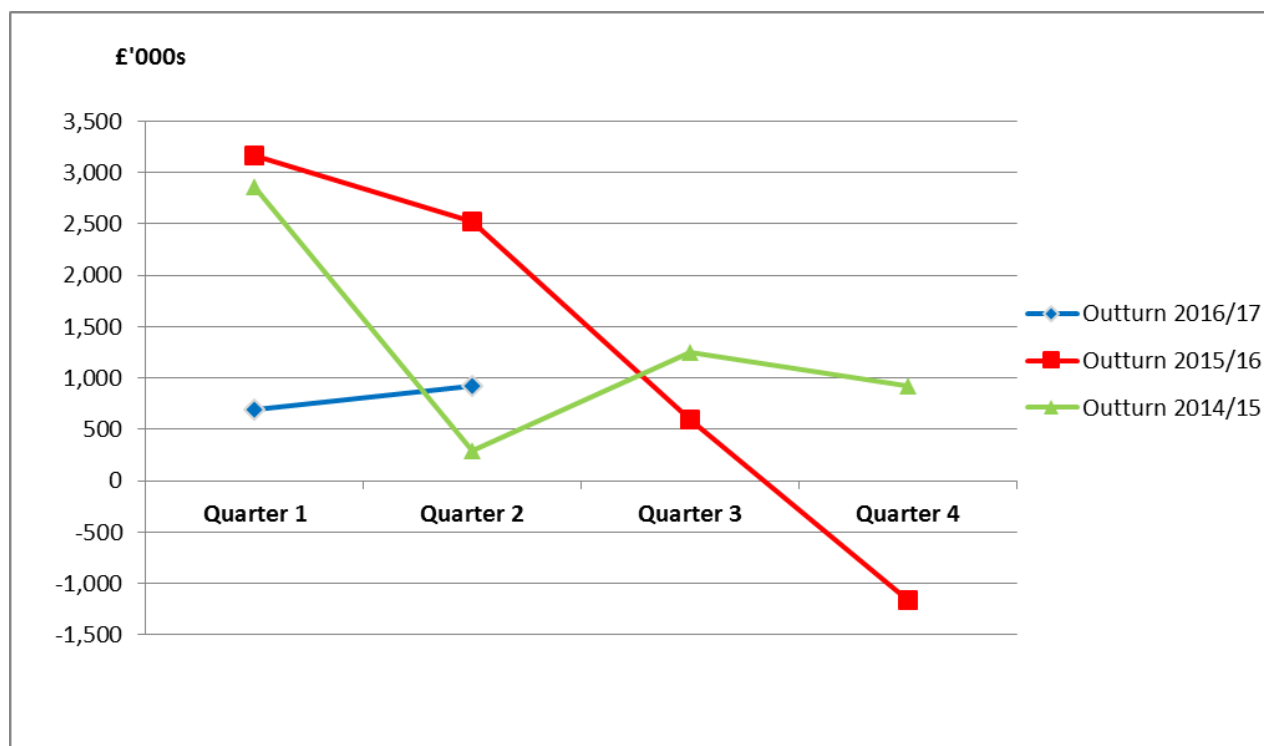
Department	Major Variances over £500k	Quarter 2 £'000	Quarter 1 £'000	2015-16 outturn £'000
PEOPLE				
Children's Social Care	Looked after Children and transitions placement costs, agency staffing and contract and assessment overspends within the Children In Need Service	4,800	4,106	3,974
Gateway & Welfare and Housing Need	Emergency Accommodation costs	1,598	495	1,855
Adult Social Care	Care Package and staffing overspends within the disability service, including Ordinary Residence costs	2,890	2,628	3,552
	People Department Variances below £500k	265	10	324
PEOPLE Total		9,553	7,238	9,705
PLACE				
Planning	Additional Planning Income	(783)	(829)	(744)
	Place Department Variances below £500k	356	287	529
PLACE Total		(427)	(542)	(215)
RESOURCES				
Finance and Assets	(Prior year) Underspends on Business Rates charges across the corporate estates following successful appeal challenges.	0	0	(777)
	Resources Department Variances below £500k	194	0	(186)
RESOURCES Total		194	0	(963)
NON DEPARTMENTAL ITEMS				
	Contingency	(1,000)	(1,000)	(1,000)
	Interest Payable / MRP	(1,782)	(1,000)	(6,159)
	Interest Receivable	(1,506)	(1,000)	
	Additional Grant Income	(3,708)	(3,000)	(2,529)
	Other variances below £500k	(404)	-	-
NON-DEPARTMENTAL BUDGETS TOTAL		(8,400)	(6,000)	(9,688)
TOTAL VARIANCE		920	696	(1,161)

- 3.2 The projected People department overspend in 2016/17 is **£9.553m** and continues to be made of up of Adult Social Care, Children's Social Care and Gateway & Welfare services.
- 3.3 The 2016/17 budget was set with the inclusion of growth to help manage pressures as well as ambitious savings targets set by the department. Despite this growth there continues to be increasing demand for the services provided by the department in the key areas of, adult and children's social care and temporary accommodation.
- 3.4 These pressures are mainly demand related, and are a continuation of pressures experienced in previous years, although the scale has been reduced by a combination of improved demand management, and growth awarded in the 2016/17 budget.
- 3.5 The pressures in the People Department are largely from the demand led services, namely children's social care, adult social care and temporary accommodation. The Council has a programme to manage demand and it is anticipated that the greatest impact of this will be within the People Department.
This programme will deliver options in the medium and longer term.
In the short term a range of immediate actions are in place, including:-
- Improved commissioning, contract management and brokerage including a new framework for independent foster care placements that has just come into place.
 - A further review of the use of and cost of agency staff.
 - The development of a recruitment and retention strategy for social workers has been commissioned.
 - The transformation of adult social care continues, which includes some detailed reviews of high cost care packages to ensure individual needs are being met in the most effective way.
 - The application of the successful Gateway approach to the 'front door' of adult social care which is likely to bring both cost savings and service improvement.
 - The introduction of Family Link workers to assist families.
 - Looking at boosting the supply of temporary accommodation and assisting families in temporary accommodation.

4. GENERAL FUND REVENUE SUMMARY POSITION 2016/17

- 4.1 Graph 1 below shows the forecast variance for 2016/17 compared to previous years. The Council continues to manage its finances through the rigorous monitoring and control of spending within the framework of the Financial Strategy, which explains the improving positions in the later quarters of the year. The Quarter 2 forecast variance is one of the lowest since austerity was brought in by Central Government in 2011.

Graph 1 – Forecast Variances



4.2 The Council is continuing to monitor the expenditure within the People department and the monthly governance boards are key to this process as they focus on the areas of highest risk. Key actions being implemented in 2016/17 in the People department are detailed in para. 3.5 of this report and the other departments are continuing to look at short term options to bring the budget in line.

5 VIREMENTS OVER £500K REQUIRING CABINET APPROVAL

5.1 The following virements processed during Quarter 2 require the approval of cabinet, due to their size.

- Transfer of contingency budget held within the Council's budget for the Care Act from the non-departmental area to the People department. The value of budget transferred was £1.519m.
- Centralisation of insurance budgets into the Resources department from within the People and Place departments, to improve financial management and control of insurance costs. The value of budgets transferred was £5.004m

6. HOUSING REVENUE ACCOUNT (HRA)

6.1 The current forecast for the HRA is for an estimated underspend of £1.107m. The key variances being reported at Quarter 2 are summarised in Table 3 below:

Table 3 – 2016/17 Main variances within the HRA

Department	Major Variances	Quarter 2 £'000	Quarter 1 £'000
HRA – PEOPLE	Additional income arising from tenant income	(1,100)	-
HRA - PLACE	Increase in responsive repairs contract costs	(7)	(455)
HRA - NON DEPARTMENTAL ITEMS	Contingency underspend	0	(500)
	Minor Variances under £100k	0	33
TOTAL HRA PROJECTED VARIANCE		(1,107)	(922)

6.2 Longer term budget planning for the HRA is currently taking place and includes reviewing the impact of the Housing and Planning Act to understand and model the impact of future rent reductions, the rules on right-to-buy receipts and the other new initiatives including High Value Voids.

6.3 The HRA business plan includes £15m investment this year in the new build programme which will now be delivered by Brick by Brick. Due to the change in delivery provider the programme has slipped to enable the development of a bigger programme with a more joined up approach to creating a sustainable mix of developments in the Borough.

7. FORECAST CAPITAL OUTTURN POSITION

7.1 The high level Capital programme for 2016/17 is shown in Table 4 below. Full details of all projects are shown in Appendix 2. Forecast expenditure of £159,719k is projected for 2016/17.

Table 4 – 2016/17 Capital Programme

Original 2016/17 Budget £'000s	Department	Slippage from 2015/16 £'000s	Re- profiling / Increases in Schemes £'000s	Revised Budget 2016/17 £'000s	Actuals April- Sep 2016 £'000s	Forecast Outturn £'000s	Forecast Variance £'000s	forecast slippage into 2017/18 £'000s
108,741	PEOPLE	21,807	1,248	131,796	25,755	76,945	(54,851)	(55,383)
25,384	PLACE	7,450	16,534	49,368	7,370	35,818	(13,550)	(12,825)
8,439	RESOURCES	9,295	1,839	19,573	5,857	19,356	(217)	(217)
142,564	GENERAL FUND TOTAL	38,552	19,621	200,737	38,982	132,119	(68,618)	(68,425)

33,621	HOUSING REVENUE ACCOUNT	9,339	0	42,960	6,466	27,600	(15,360)	(15,360)
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176,185	CAPITAL PROGRAMME TOTAL	47,891	19,621	243,697	45,448	159,719	(83,978)	(83,785)
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7.2 The capital programme is funded from a number of different sources, including capital receipts, external grants and borrowing. Table 5 below details the funding for the original 2016/17 budget, the revised programme and for the forecast outturn.

Table 5 – Sources of capital funding

Funding	Original Budget 2016/17 £000's	Revised Budget 2016/17 £000's	Forecast Outturn 2016/17 £000's
Capital Receipts	13,500	2,500	2,500
Education Funding Agency	39,093	60,272	60,272
Transport for London	3,336	5,497	5,497
Better Care Fund (Disabled Facilities Grant)	900	2,046	2,046
Section 106	-	1,189	1,189
Other grants	2,658	7,064	7,064
Borrowing	83,077	121,669	53,551
GENERAL FUND	142,564	200,237	132,119
Major Repairs Allowance	17,301	17,301	17,301
HRA - Revenue Contribution	8,523	8,523	8,523
HRA - Use Of Reserves	1,606	10,945	1,776
HRA - Unsupported Borrowing	6,191	6,191	0
HRA FUNDING	33,621	42,960	27,600
TOTAL FUNDING	176,184	243,697	159,719

7.3 Section 106 funding is received from developers to mitigate the impact of developments. A breakdown of how this funding is being used is shown in Table 6 below.

Table 6 – Breakdown of Section 106 expenditure

Section 106 expenditure	Forecast outturn £'000s
Public Realm	946
Parks and Open Spaces	243
Total Section 106	1,189

7.4 Recommendation (v) of this report seeks an increase in the capital programme of £2.815m to fund the replacement or upgrade of 687 pay & display parking machines across the borough. The current stock of machines are beyond the end of their useful life – they will not be able to take the new pound coin and operational failures and vulnerability to attack for theft is resulting in loss of revenue to Parking Services. Following these works, the Borough's pay and display machines will be more secure, will be compatible with proposed replacement coinage, and offer a better range of facilities to the public such as payment by card facilities.

7.5 Key variances within the Quarter 2 position include a £53.821m under-spend across the Education programme, following a re-profiling of projects to 2017/18 and 2018/19, rather than any reduction in the investment in education.

7.6 The HRA capital programme is also showing an under spend of £15.360m, as the new build programme is now being undertaken by Brick by Brick and they are currently working on the investment timeline. Whilst this is causing a delay, this will result in a much larger supply of affordable homes.

8. FINANCIAL MANAGEMENT

8.1 The Council Tax and Business Rates are two key income streams for the Council. Collection rates for the current year are show in Table 7 below:

Table 7 - Council Tax and Business Rates collection

	Target collection – year to date %	Actual collection – year to date %	Variance to target – year to date %	Variance at Q2 – prior year position %
Council Tax	55.07	54.85	-0.22	-0.59
Business Rates	56.76	57.82	+1.06	-1.07

Council Tax

8.2 The Council tax collection has been distorted by new items billed in September, which accounted for some 0.2% of the council tax debit. These come predominantly from:

- revaluations (i.e. new properties on the council tax base)
- removal of single person discounts, and
- reduction in Council Tax support awards.

8.3 Without this, the position would have been on target. All indicators remain positive and point towards the strongest end of year position.

8.4 The Revenues & Benefits team continue to implement the 5 point plan to increasing collection set out in the Quarter 1 report, and the number of Direct Debit payers is now at the highest ever level for the Council (at 70.24%).

Business Rates

8.5 Business Rates collection is on track to achieve the year-end target. The 1.06% surplus position at the end of Quarter 2 is due to a credit balance awaiting refund to a rate payer, following a successful appeal of their rateable value.

8.6 The Council is proposing measures to increase or safeguard the number of jobs in the borough by using powers to provide discretionary business rates relief to organisations that meet certain criteria under the provisions of section 69 of the Localism Act 2011. Full details are set out in Appendix 3.

8.7 The revised Business Rates Relief Policy allows applications for business rate relief where proposals will safeguard or create new jobs through inward investment, activation of vacant units and/or by providing breathing space to enable struggling companies to implement turn-around business plans. Each application will be assessed on its merits and with consideration of the financial impact (off-setting short term lost revenue against longer term economic growth). A panel of officers will test applications against the published criteria; final decisions will be made by the Cabinet Member for Economy & Jobs with the Cabinet Member for Finance & Treasury

9. CONSULTATION

- 9.1 All departments have been consulted during the preparation of this report.

10. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 10.1 This report sets out the current financial position of the Council, and actions being taken to address the projected overspend.

The report is submitted by the Executive Director of Resources (Section 151 Officer)

11. COMMENTS OF THE BOROUGH SOLICITOR AND MONITORING OFFICER

- 11.1 The Acting Solicitor to the Council comments that the Council is under a duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.
- 11.2 Provision is made within section 69 of the Localism Act 2011 ("the Act") for the Council to grant discretionary rate relief subject to parameters as set out within the Act and the recommendations seek approval for the Council's policy on how such matters will be considered in future

Approved for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer.

12. HUMAN RESOURCES IMPACT

- 12.1 The items from the savings packages and action plans included in the report or those that need to be developed in response to the report are likely to have a significant HR impact. These can vary from posts not being re-filled or deleted through restructures proposals leading to possible redundancies. Where that is the case, the Council's existing policies and procedures must be observed and HR advice must be sought.

Approved by: - Jason Singh, HR Business Partner, for and on behalf of Director of HR, Resources department.

13 EQUALITIES IMPACT -

- 13.1 The key service areas that currently have over spend in budgets are Looked after Children, Adult Care Placements and Temporary Accommodation. All of these are areas that provide services to customers from equality groups that share protected characteristics; such as younger people (Looked after Children), people with a disability (Children with special educational needs), older people and BME groups. There are a number of known equality and inclusion issues in the above mentioned service areas such as an over-representation of BME young people in looked after children, over-representation of BME groups and other vulnerable groups such victims of domestic abuse, homeless young people, pregnant women and young children in in temporary accommodation, young children with a disability who have a special educational needs and their carers, vulnerable older people with complex needs etc. The mitigating actions, on these specific services are unlikely to affect

these groups more than the population as a whole. In fact, a number of those will affect these groups less.

- 13.2 In addition, there are policy changes made by Government that will impact on the in-year budget. The Council will work to ensure key services to Croydon residents are protected wherever possible. However, it is likely that some of the areas affected will be a reduction in Home Office funding for Unaccompanied Asylum Seeking Children, a cut to the Public Health Grant and the Youth Justice Board grant and changes to the Welfare and Housing Bill. There is a likelihood that these cuts will have a more significant adverse impact on some groups that share a protected characteristic such as age, race and disability. Changes to the Welfare and Housing Bill are also likely to have an adverse negative impact on the more vulnerable customers.
- 13.3 In order to ensure that our vulnerable customers that share a “protected characteristic” are not disproportionately affected by the actions proposed to reduce in year budget over spend we will ensure that the delivery of the cost reduction initiatives are informed by a robust equality analysis of the likely detrimental impact it could have on all services users and in particular those that share a “protected characteristic”.
- 13.4 If the equality analysis suggests that the cost reductions initiatives are likely to disproportionately impact on particular group of customers, appropriate mitigating actions will be considered. This will enable the Council to ensure that it delivers the following objectives that are set out in our Equality and Inclusion Policy:
- To increase the rate of employment for disabled people, young people, over 50s and lone parents who are furthest away from the job market
 - To increase the support offered to people who find themselves in a position where they are accepted as homeless especially those from BME backgrounds and women
 - To reduce the rate of child poverty especially in the six most deprived wards
 - To improve attainment levels for white working class and Black Caribbean heritages, those in receipt of Free School Meals and Looked After Children, particularly at Key Stage 2 including those living in six most deprived wards
 - To increase the percentage of domestic violence sanctions
 - To increase the reporting and detection of the child sexual offences monitored
 - To reduce the number of young people who enter the youth justice system
 - To reduce social isolation among disabled people and older people
 - To improve the proportion of people from different backgrounds who get on well together
 - To reduce differences in life expectancy between communities

14. ENVIRONMENTAL IMPACT

- 14.1 There are no direct implications contained in this report.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1 There are no direct implications contained in this report.

16. REASONS FOR RECOMMENDATION /PROPOSED DECISION

- 16.1 Given the current in year-position Executive Leadership Team have been tasked to identify options to achieve a balanced year-end position.

17. OPTIONS CONSIDERED AND REJECTED

- 17.1 Given the current in year-position Executive Leadership Team have been tasked to identify options to achieve a balanced year-end position. The alternative would be to over-spend and draw down on balances, which would not be prudent.

CONTACT OFFICER:

Richard Simpson Executive Director Resources (Section 151 Officer). Tel number
020 8726 6000 ext. 61848

BACKGROUND PAPERS – none

REVENUE FORECAST OUTFURN – DETAILED VARIANCES

Appendix 1

PEOPLE DEPARTMENT

Division	Explanation of variance	Qtr 2 Amount (£000)	Qtr 1 Amount (£000)
Children's Social Care	Looked After Children - overspends on placement costs, principally due to new cases, notably a number in secure remand	2,397	1,687
	Children In Need – Staffing overspends arising from the need for agency staff due to rising demand have reduced since Q1, however contact and assessment costs due to the number of care proceedings have increased	1,495	1,505
	Directorate – Children's Social Care legal costs, arising from an increase of 84% in child protection cases since April 2016	198	350
	Safeguarding – agency staffing	415	258
	0-25 Service – 16 additional transitions cases including 9 having backdated costs	856	300
	EISS – release from the Troubled Families Reserve	(139)	6
	Other Minor Variances < £100k	(10)	0
	Sub-total Children's Social Care	4,800	4,106
Universal Services	CALAT reorganisation	42	31
	Sub-total Universal Services	42	31
People Directorate	Other Minor Variances < £100k	9	(21)
	Sub-total People Directorate	9	(21)
Gateway & Welfare	Bed & Breakfast over-spend as a result of demand pressures, partially offset by underspend in no resource to public funds	1,778	125
	Sub-total Gateway & Welfare	1,778	125
Adult Social Care & All Age Disability	25 – 65 disability service -- increase in complexity of physical disability cases and increase in number of learning disability cases, including a number of Ordinary Residence cases	2,600	2,572
	Older People Social Care - an increase in Occupational Therapy expenditure and agency staffing costs	785	404
	Directorate – agency costs associated with running the Centralised Duty Team	309	230
	Disability commissioning & brokerage – procurement savings	(565)	(348)
	Adults Transformation – underspend on transformation project, capital recharges, a release of 15/16 provisions and a reduction in the number of inflation provider appeals	(880)	(314)
	Mental Health – increased placement costs	231	109
	Day and Employment Services – in sourcing of Croydon Day Opportunities	374	0
	Other Minor Variances > £100k	37	(26)
	Sub-total Adult Social Care & All Age Disability	2,891	2,627

Division	Explanation of variance	Qtr 2 Amount (£000)	Qtr 1 Amount (£000)
Housing Need	Over-spend - demand for Temporary Accommodation as well as supply costs	33	370
	Sub-total Housing Need	33	370
	Total Forecast Variance – People Department	9,553	7,238

PLACE DEPARTMENT

Division	Explanation of variance	Qtr 2 Amount (£000)	Qtr 1 Amount (£000)
Place Directorate	Other Minor Variances < £100k	(115)	(64)
	Sub-total Place Directorate	(115)	(64)
Streets	Facilities Management security and cleaning budget pressures	146	0
	Other Minor Variances < £100k	105	61
	Sub-total Streets	251	61
Safety	A £140k pressure on Pay & Display income (due to the cost of the cashless app and cash collection charges), and a £159k pressure due to statutory increases in licensing not being implemented by Government and lower Street Trading income.	299	211
	Other Minor Variances < £100k	(92)	0
	Sub-total Safety	207	211
Planning	Planning fee income is forecast to achieve £2.8m. Any planning receipts in advance will be rolled over into 2017/18.	(783)	(829)
	Other Minor Variances < £100k	0	0
	Sub-total Planning	(783)	(829)
Development	Other Minor Variances < £100k	(1)	79
	Sub-total Development	(1)	79
District Centres & Regeneration & Development	Other Minor Variances < £100k	14	0
	Sub-total District Centres, Regeneration & Development	14	0
	Total Forecast Variance – Place Department	(427)	(542)

RESOURCES DEPARTMENT

Division	Explanation of variance	Qtr 2 Amount (£000)	Qtr 1 Amount (£000)
Finance & Assets including Democratic & Legal Services and Coroners	Delayed rental of Bernard Weatherill House against forecast	412	152
	Agency staff within Finance – covering vacancies and maternity leave	141	118
	Over-spend within the Coroners Service due to increased service costs	0	112
	Additional Legal income	(331)	(392)
	Other Minor Variances < £100k	(178)	26
	Sub-total Finance & Assets	44	16
Customer Transformation	Lower income from Land Charges	100	286
	Other Minor Variances < £100k	(200)	(186)
	Sub-total Customer Transformation	150	100
Strategies, Communities & Commissioning	Other Minor Variances < £100k	0	0
Human Resources	Other Minor Variances < £100k	0	(11)
	Sub-total Human Resources	0	(11)
All services	Savings arising from the Voluntary Severance programme		(105)
	Total Forecast Variance – Resources	194	0

NON DEPARTMENTAL ITEMS

Division	Explanation of variance	Qtr 2 Amount (£000)	Qtr 1 Amount (£000)
Non-departmental	Use of contingency budget	(1,000)	(1,000)
	Minimum Revenue Position and Interest borrowing costs lower than projected, due to slippage within the capital programme	(1,782)	(1,000)
	Interest receivable higher than anticipated – due to Real Lettings and Box Park	(1,506)	(1,000)
	Additional government grant anticipated – New Homes Bonus and S31 Grant	(3,708)	(3,000)
	Other under-spends under £100k	(404)	-
	Total Forecast Variance – Non-departmental	(8,400)	(6,000)
	Total Overspend	920	696

Detailed 2016/17 Capital Programme

Appendix 2

Original 2016/17 Budget £'000s	Project	Slippage from 2015/16 £'000s	Re-profiling / Increases in Schemes £'000s	Revised Budget 2016/17 £'000s	Actuals April-Sep 2016 £'000s	Forecast Outturn £'000s	Forecast Variance £'000s
PEOPLE DEPT							
30	Bereavement Services	19	0	49	0	49	0
1,600	Disabled Facilities Grant	839	0	2,439	568	2,426	(13)
0	Adults Social Care ICT	128	1,248	1,376	42	1,353	(23)
317	Education - Academies Programme	159	0	476	436	1,008	532
0	Education – DDA	199	0	199	1	97	(102)
2,356	Education - Fixed Term Expansions	1,753	0	4,109	336	2,162	(1,947)
2,234	Education - Major Maintenance	437	0	2,671	565	2,497	(174)
1,300	Education - Miscellaneous	2,828	0	4,128	4	1,404	(2,724)
74,111	Education - Permanent Expansion	14,464	0	88,575	14,532	47,332	(41,243)
8,499	Education - Secondary Estate	0	0	8,499	5,237	7,439	(1,060)
16,294	Education - SEN	981	0	17,275	4,034	10,172	(7,103)
2,000	Onside Youth Zone	0	0	2,000	0	1,006	(994)
108,741	People sub-total	21,807	1,248	131,796	25,755	76,945	(54,851)

PLACE DEPT							
0	East Croydon Station Bridge	1,200	0	1,200	0	1,200	0
500	Empty Homes Grants	418	0	918	388	918	0
4,000	Fairfield Halls	0	2,346	6,346	260	2,500	(3,846)
0	Feasibility Fund	3	0	3	0	0	(3)
5,000	Highways	158	0	5,158	2,481	5,158	0
0	Measures to mitigate travellers in parks and open spaces	187	0	187	0	94	(93)
7,830	New Addington Leisure Centre	304	0	8,134	382	1,500	(6,634)
400	Old Ashburton Library	20	0	420	3	142	(278)
0	Parking	34	0	34	8	34	0
0	Public Realm	1,621	8,319	9,940	2,821	9,940	0
0	Purley MSCP	0	200	200	0	200	0
0	Salt Barn	728	0	728	115	200	(528)

Original 2016/17 Budget	Project	Slippage from 2015/16	Re- profiling / Increases in Schemes	Revised Budget 2016/17	Actuals April- Sept 2016	Forecast Outturn	Forecast Variance
£'000s		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
0	Section 106 Schemes	857	(36)	821	45	*243	(578)
3,336	TFL - LIP	0	2,161	5,497	706	5,497	0
2,158	Thornton Heath Public Realm	203	0	2,361	115	1,605	(756)
2,160	Waste and Recycling Investment	1,717	0	3,877	0	3152	(725)
0	Surrey Street Market	0	500	500	14	500	0
0	Pay & Display machine replacement programme	0	2,815	2,815	0	2,815	0
0	South Norwood Public Realm	0	229	229	32	120	(109)
25,384	Place sub-total	7,450	16,534	49,368	7,370	35,818	(13,550)

RESOURCES DEPT							
2,100	Corporate Property Maintenance Programme	1,443	0	3,543	890	3,326	(217)
0	Corporate Property Maintenance Programme Re- fit	5,765	(5,164)	601	214	601	0
1,500	ICT	2,087	500	4,087	257	4,087	0
4,719	ICT Refresh - Transformation	0	4,153	8,872	3,885	8,872	0
0	EOW – IT & refurbishment / office moves	0	2,350	2,350	512	2,350	0
120	Ward Based Programmes	0	0	120	99	120	0
8,439	Resources sub-total	9,295	1,839	19,573	5,857	19,356	(217)

142,564	General Fund total	38,552	19,621	200,737	39,482	132,119	(68,618)
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HOUSING REVENUE ACCOUNT							
500	Assisted Private Purchase Scheme	0	0	500	(60)	500	0
100	Larger Homes	0	0	84	0	90	6
6,000	New Build Programme	9,339	0	15,795	369	735	(15,060)
26,771	Repair and Improvement Programme	0	0	26,331	5,248	26,025	(306)
250	Special Transfer Payments	0	0	250	909	250	0
33,621	Housing Revenue Account	9,339	0	42,960	6,466	27,600	(15,360)

176,185	Capital Programme Total	47,891	19,621	243,697	45,448	159,719	(83,978)
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*Note: the Section 106 expenditure total represents specific schemes funded from this source. The remainder of the Section 106 funding shown in Table 5 is managed within the Public Realm project heading.

Policy for granting Local Discretionary Business Rate Relief - Appendix 3 (Section 69 Localism Act 2011)

Introduction

The Council recognises the importance of supporting local businesses and organisations to promote the provision of local facilities, economic growth, employment and investment to improve prosperity across Croydon and in particular support the most disadvantaged communities.

Councils have the power to grant discretionary rate relief to organisations that meet certain criteria and this policy sets out how the Council will deal with applications made for local discretionary business rate relief pursuant the amendments introduced by Section 69 of the Localism Act 2011 to the Local Government Finance Act 1988.

This policy does not deal with other types of mandatory or discretionary rate relief such as small business rate relief as detailed on the business rates pages of the Croydon Council website.

Applicants need to be aware that public funds are, however, limited and any rate relief awarded will be subject to budgetary constraints as this discretionary rate relief is wholly funded by taxpayers. Accordingly in making decisions the Council must be confident that money invested in this way will be repaid in economic and or community benefit in accordance with the criteria set out herein.

In introducing these discretionary powers, the government has made clear that these powers can be used to encourage new business and investment, as well as to support local shops or community services. Accordingly the Council has designed its policy with a view to increasing or safeguarding the number of jobs in the borough by:

1. Supporting inward investment from large companies bringing significant numbers of new jobs to the borough;
2. Supporting smaller businesses to locate in the area and helping them through difficult periods to become sustainable in the longer term;
3. Bringing empty space back into use to support the economy.

Our criteria

The Council will consider applications for relief on a case by case basis where at least one of the following criteria applies:

- The proposal will deliver significant local economic or social benefit including supported economic growth, new jobs created or jobs safeguarded;
- Applications will be considered favourably where they provide employment to local people or where it provides services, opportunities or facilities that cannot be obtained locally or are not provided locally by any other organisation.
- There is evidence of financial hardship, or extenuating circumstances which affects the applicants' ability to pay, and grant of business rate relief under the provisions of the Localism Act 2011 and this policy will support economic growth within the borough, ensure longer term financial stability and safeguard or create local jobs;
- Commercial premises that have been unoccupied for a prolonged period of time, and potential business rates relief will help to bring them back into sustainable use.

Ratepayer receiving Business Rates relief under this policy, will be required to work towards **Croydon Good Employer Charter** accreditation as a condition of relief.

Delivering for Croydon

Ratepayers will **not be eligible** for relief if one or more of the following criteria applies:

- The ratepayer is eligible for any mandatory or other discretionary relief. Local relief will not be granted under these provisions where the ratepayer is entitled to other mandatory or discretionary rate relief, whether or not they have applied for such relief.
- The ratepayer must not be an organisation that could receive relief as a non-profit making organisation or as a sports club or similar;
- The ratepayer has received any form of state aid within the past three financial years

Please note that a previously successful application does not create an assumption that relief will or will not be granted in any subsequent years. Applicants will be required to apply each year and will be assessed under the currently applicable provisions.

Weight will be given to applications where it is clear that relief offered will be off-set by wider economic growth or benefit to the community.

In reaching its determination, the Council will, where appropriate, have regard to relevant guidance issued from time to time and any regulations as are applicable.

The council reserves the right, where necessary, to verify information provided by applicants for relief by contacting third parties and appropriate organisations and visiting premises to determine any decision about relief. In making this application, the applicant specifically consents to the Council using any data provided by them to make these checks.

Amount of relief

Croydon Council has the discretion to allow relief at any rate up to 100% of the business rates charge under the provisions of Section 69, however in doing so the Council must have regard to the impact this will have on other residents and tax and rate payers within the borough. Entitlement will be assessed by a panel against the criteria set out within this policy on a case by case basis. The actual amount of relief granted will, however, be determined by the affordable budget available for such rate relief within Croydon Council at the time the determination is made.

State Aid

Any award of discretionary rate relief must comply with EU law on state aid.

State aid is generally prohibited by European Community rules. However, there are exceptions to this, and some financial aid is allowed under the de minimus rules if the total amount of funding received by an organisation does not cumulatively exceed €200,000 over a three-year period.

Any assistance a business has received, or is due to receive, from any public body may count state aid. This could be any aid, grant or support from central, regional or devolved government departments, agencies, or a local authority. The application form requires you to confirm, in order to be eligible to apply for this discretionary rate relief, that you have not received any state aid within the past three financial years.

Submitting an application for discretionary relief

Completed applications making use of the Council's application form, including all necessary supporting documentation, should be sent to croyndr@croydon.gov.uk or:

Business rates
Croydon Council
5th floor, Bernard Weatherill House
8 Mint Walk
Croydon CR0 1EA

It is the responsibility of the organisation or person applying for relief to provide sufficient information and documentary evidence to support their applications.

Decision Making

A panel made up of council officers from will review all applications and will make recommendations to the relevant Cabinet member/s to make the final decisions.

Period of award

The Council will decide the period that relief will be awarded for depending on the circumstances of the application on a case by case basis.

Unless stated otherwise, relief will be awarded for the current financial year only.

The rate payer remains liable for the rates in full unless and until notified formally by the Council of any relief granted and where full rate relief is not granted, the rate payer remains liable for any remaining rates due once relief has been applied.

Changes in Liability

If there is a change to the organisation's liability during the period of the relief, the following amendments to the awarded amount will apply:

Increase in liability/charge – Where liability/charge increases, the amount of the relief will continue at the rate originally granted for the duration of the relief period;

Reduction in liability/charge – the amount of the relief for the remaining financial year will be in the same proportion/percentage of the new liability/charge as the proportion/percentage of relief initially approved

How payments will be made

Any relief granted will be credited against the business rates bill.

The council will, where necessary, verify information by contacting third parties and appropriate organisations and visit premises to determine any decision about relief.

Relief will cease where the:

- Applicant ceases to be liable for business rates;
- The property for which the relief is granted becomes empty;
- The use of the property changes;
- The aims or objectives of the organisation change

Notification

The Council will inform the ratepayer in writing of the outcome of their application for relief following a decision. Where the application is not successful, the notification will provide full reasons why we have decided not to award relief and provide details of the applicant's right to ask the Council to look at the decision again. Decisions

Delivering for Croydon

will be notified within 28 days of receipt of the application and the rate relief will be applicable from the commencement of the next financial year.

The Council will, as required, give one year's notice of any decision to terminate or alter the amount of relief granted, which will take effect at the end of the financial year.

Where the application is successful, the notification will include the following information:

- the period of the award;
- the percentage of the rate liability awarded for that period;
- the amount of relief to be awarded for the period;
- details of when an amended non-domestic rate demand will be issued;
- the right to ask us to look again at the decision.

Overpayments

The Council will recover all overpayments of discretionary rate relief.

Right of review

If you disagree with a decision made under this policy, you must write and tell us why you think the decision is wrong, i.e. whether you consider the published criteria have been properly applied. An independent panel will look at your case, checking your original application thoroughly and taking account of any information given in your letter. It will then decide whether or not the criteria have been properly applied.

The panel has the authority to:

- confirm the decision;
- change the decision and award you more discretionary rate relief; or
- change the decision and award you less/no discretionary rate relief.

We will write to tell you what has happened, normally within 7 days of decision of the panel. The decision of the review panel is final.

Fraud

The Council is committed to reducing fraud in all its forms. An organisation which tries to fraudulently apply for discretionary rate relief by falsely declaring their circumstances, or providing a false statement or evidence in support of their application, may have committed an offence. Where we suspect that such a fraud may have occurred, the matter will be investigated in line with the Council's Anti-Fraud Strategy. This may lead to criminal proceedings being instigated.

Publicity

The Council will include information about discretionary rate relief with non-domestic rate demands, relevant leaflets and within the Business Rates section of the Council's website.

The Council will wish to publicise instances of support provided to businesses through business rates relief, by making an application you are agreeing to this publicity.

Benefits Realisation

The Council will wish to keep in contact with you to understand how business rates relief has supported economic growth, new jobs created or jobs safeguarded. By making this application you are agreeing to provide such information to the Council on request.

Review

This policy will be reviewed periodically by the Council, taking into account other Council policies and priorities and any changes in legislation.

Application for Local Discretionary Business Rate Relief

Organisation Requesting Relief	
Organisation Name:	
Contact Name:	
Tel:	
Email:	
Property Information	
Address	
Size / Floorspace	
Length of Lease	
Rateable Value	
Business Rates Payable	
Length of time unoccupied (if applicable)	
Business Case / Proposal [Please have regard to the criteria set out in the policy and include here how this proposal will support local job creation, financial stability etc]	
How does this proposal meet the criteria for Croydon Council Business Rates Relief?	

DECLARATION

YOUR APPLICATION FOR RELIEF CANNOT BE ASSESSED UNLESS DATED & SIGNED

I/we hereby confirm that:

I/we am duly authorised to act on behalf of the applicant business for rate relief

I/we certify that the applicant business is not eligible for any mandatory or other discretionary rate relief

I/we have read and understood the Council's Policy for granting Local Discretionary Business Rate Relief (Section 69 Localism Act 2011) and agree to the conditions set out therein being applied to my application and the administration of any discretionary rate relief granted to me as a result of this application.

I/we certify that applicant business has not received any State Aid in the past three financial years.

I/we confirm that information provided in this application is true to the best of my knowledge and that I am/we are required to notify the Council in writing if any circumstances change that may impact on the application or liability of the applicant business for rates and that I/we understand that it is a criminal offence to provide false or misleading information.

I/we hereby consent :

- to the Council to use data/information I/we have provided in the course of this application to carry out all necessary checks with all relevant agencies/organisations for the purposes of making a decision on this application
- to the Council that any overpayments of discretionary rate relief shall be recovered and deducted directly by the Council from our organisation's business rate account.
- consent/do not consent [delete as appropriate] to the Council to use instances of support provided to us through this business rates relief for some publicity and to share same with other agencies/organisation towards the promotion of this service provided by the Council.

In order to protect public funds, the Council may use the information you have provided on this form to prevent and detect fraud. The Council may also share this information for the same purposes, with other organisations that handle public funds

■ Delivering for Croydon

The information on this form will be used in accordance with the Council's registration under the Data Protection Act 1998 and the Council agrees to comply with the provisions of the Data Protection Act 1998 whilst processing your data during this application.

Signed:

Date:

Full name:

Capacity: Owner / Partner / Director / Other (please specify)

When completed, this form should be returned to:

Business rates
 Croydon Council
 5th floor
 Bernard Weatherill House
 8 Mint Walk
 Croydon CR0 1EA

FOR OFFICE USE ONLY

ELIGIBILITY CHECKED & VERIFIED	YES / NO
DATE:	SIGNED:

For General Release

REPORT TO:	CABINET 12 December 2016
AGENDA ITEM:	12
SUBJECT:	Connect2 – Proposed grant of a way of privilege for cycling in parks in accordance with Croydon’s byelaws
LEAD OFFICER:	Shifa Mustafa, Executive Director of Place Heather Cheesbrough, Director of Planning and Strategic Transport Ian Plowright, Head of Transport
CABINET MEMBER:	Councillor Stuart King, Cabinet Member for Transport & Environment Councillor Timothy Godfrey, Cabinet Member for Culture, Leisure and Sport
WARDS:	Fairfield, Broad Green

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

Croydon Corporate Plan 2015-18 -Ambition Priority Three: Liveability

We want to build a place that is easy and safe for all to get to and move around in Good transport connections are important for enabling Croydon to fulfil its potential as South London’s economic hub.

Croydon is well-connected; however parts of its extensive tram and train network are nearing capacity and are in need of expansion. We want to promote sustainable forms of transport and reduce reliance on the private car. This will bring environmental, social and health benefits, as people unable to use a car, walkers and cyclists find it pleasant and safe to move within and between Croydon’s places.

improve wellbeing through sport and physical activity

- Develop an integrated approach to sports and physical activities that ensures we maximise the use of our parks, open spaces and leisure assets to increase participation and improve health outcomes for our residents.
- Target our resources on increasing the access to and participation in sports and physical activity of vulnerable and disadvantaged groups within our communities.
- Adopt a walking plan and a cycling plan

FINANCIAL IMPACT

The £456,000 of expenditure allocated to delivering the interventions outlined in this report was approved as part of the £19,225,628 Connected Croydon budget line agreed at Cabinet on 10 February 2014 (Minute Ref A19/14)

FORWARD PLAN KEY DECISION REFERENCE NO.: Not a Key Decision

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

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Consider the results of the consultation on permissive routes for cycling in Croydon's parks and greenspaces as detailed in Appendix C, and recommend to Full Council the granting of privileges for the proposed signed cycle routes in:
 - Lloyd Park
 - Park Hill Recreation Ground
 - Wandle Park
- 1.2 That subject to Full Council agreeing recommendation 1.1 above, delegated authority be given to the Director of Streets to take any necessary steps, including regulatory and directional signage as appropriate for the introduction of each area and route.

2. EXECUTIVE SUMMARY

- 2.1 Connect2 is a project to improve cycle and walking links in Croydon, including proposed cycle routes in parks. Cycling in parks is currently prohibited by a Croydon Council byelaw. Therefore, before these routes can be implemented the agreement of Full Council is required to grant privileges for the use of the routes pursuant to the byelaws.

3. DETAIL AND CONSULTATION

- 3.1 The Connect2 scheme is illustrated in Appendix A. The scheme is being delivered as part of Croydon's funding agreement with Sustrans (a walking and cycling charity). The scheme has so far provided a walking and cycling route between Wandle Park and Park Hill Recreation Ground. As part of the next steps to complete the route it is proposed to create cycle routes in three of Croydon's Parks:
 - Lloyd Park
 - Park Hill Recreation Ground
 - Wandle Park

The alignments of these proposed routes are shown in Appendix B.

- 3.2 Byelaw 6(ii) currently prohibits cycling in most of Croydon's park and greenspaces. The Council, however, uses its discretion in enforcing the byelaw. As long as cyclists are not a risk to other park users or damaging the park, the byelaw is not enforced.
- 3.3 Designation as a cycle path by the Council through a park or greenspace in Croydon requires these routes to be identified as 'privilege' under Byelaw 6(ii)

of the Parks Byelaws. This requires a Council resolution, appropriate public consultation and a record of the decision making process.

- 3.4 Consultation took place between 6 July 2016 and 31 August 2016. Notices publicising the proposed changes were placed on site in the affected parks. The proposed changes were also advertised on the Croydon Council website, where people were directed to the questionnaires for each of the parks. Responses to the public notices were recorded through the questionnaire.
- 3.5 The options considered in the consultation were:
- Option 1 (the preferred option): Proceed with the proposed cycling permitted routes as identified in 1.1 above in order to secure the grant funding.
 - Option 2: Implement alternative routes within the parks.
 - Option 3: Reject proposals for cycling.
 - Option 4: Alternative suggestions.
- 3.6 987 people responded to the consultation (798 for Park Hill Recreation Ground, 586 for Wandle Park, 692 for Lloyd Park). Support for proposals was as follows:
- Park Hill Recreation Ground 70%
 - Lloyd Park 76%
 - Wandle Park 79%
- 3.7 The responses have been reviewed and objections or requests for amendment of the proposals have been considered taking the consultation responses into account. The objections and amendment requests are summarised in Appendix C. Key issues and changes are identified below.
- Park Hill Recreation Ground
- 3.8 The majority of concerns were about the sharing of the cycle paths with pedestrians and particularly with more vulnerable users across the whole of the proposed route. In response we have omitted part of the cycle route (at the top of Water Tower Hill) and propose to keep the speed limit at 5mph (with additional signage). This will reduce the steeper section of the proposed route, reduce the overall impact of the park and will not encourage cyclists to use Water Tower Hill Road adjacent to the park (this road also has a steep gradient).
- 3.9 Subtle changes in material, appropriate signage and enforcement activity by Neighbourhood Safety Officers will also reduce the likelihood of cycle conflict with other users. The Neighbourhood Safety Officers are looking to have their own bicycles, which will help with enforcement. Segregated routes are not recommended as these can encourage cyclists to speed up. Segregated routes also require more highway design features (painted surfaces, guardrail, tactile paving which are not seen as compatible with a park setting).
- 3.10 Due to the constraints of the main roads and railway lines alternative safe routes for cyclists were not identified. The Fairfield Path was investigated as an

alternative route, but this option is not supported due to the width of the path and the lack of clear sight lines for cyclists and pedestrians.

- 3.11 The current park opening and closing times will remain unaltered by these proposals.

Lloyd Park

- 3.12 Concerns were also raised regarding the sharing of the proposed cycle routes with other park users. As with Park Hill Recreation Ground, the maintenance of the 5mph speed limit, subtle changes in material, appropriate signage and enforcement activity by Neighbourhood Safety Officers are recommended as measures to reduce the likelihood of cycle conflict with other users.
- 3.13 Concerns were expressed that the Park Run route would be affected by the scheme. Parks officers have confirmed that the Park Run can be maintained alongside these proposals.
- 3.14 The safety of the exit out onto Coombe Road at the end of the cycle route was identified as an issue. Lloyd Park Pavilion is considered as an appropriate end to the current route, as a destination in itself. Future work will consider the quality of cycle connections beyond the Pavilion and any additional measures that need to be undertaken.

Wandle Park

- 3.15 Concerns were also expressed regarding the sharing of the proposed cycle routes with other park users. As with the two other parks, changes in material, appropriate signage and enforcement activity by Neighbourhood Safety Officers are recommended as measures to reduce the likelihood of cycle conflict with other users. In addition the proposed cycle route between the Tram Stop, the playground and the café will be omitted (with the cycle route being signed on the less busy northern side of the park).
- 3.16 The current park opening and closing times will remain unaltered by these proposals.

4 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 Revenue and Capital consequences of report recommendations

		Current year	Medium Term Financial Strategy – 3 year forecast		
		2016/17	2017/18	2018/19	2019/20
		£'000	£'000	£'000	£'000
Capital available	Budget	456			
Effect of decision from report					
Total Expenditure		456			
Remaining budget		0			

4.1.1 The cost of these works is £456k and will be met from the connected Croydon budget to deliver the Connect2 route.

4.2 Risks

4.2.1 If the Byelaw is not changed it will not be possible to signpost cyclists to use a path through any park. This significantly weakens the Council's ability to provide an environment that encourages cycle use. Along with the ability to meet the funding criteria of the Council's Connect 2 partners and could result in a partial withdrawal of the funding.

4.3 Options

4.3.1 The options considered in the consultation are identified in paragraph 3.6 above.

4.4 Future savings/efficiencies

4.4.1 The Connect2 proposals will renew areas of footway / cycleway which are in need of repair.

4.4.2 By allowing cycling on designated routes in parks capital funding is released from a variety of funding streams that enables footways in parks to be resurfaced.

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

5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

5.1 The Acting Solicitor to the Council comments that whilst the Council's parks byelaws prevent cycling within parks and open spaces within the borough, Full Council is able to agree a way of privilege to permit cycling subject to it being undertaken in an appropriate manner. This report seeks Members' approval to grant such ways of privilege to promote cycling within the borough and support the delivery of the Connect2 project .

5.2 Approved for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer.

6. HUMAN RESOURCES IMPACT

6.1 There are no immediate human resource impact and therefore I am happy to approve.

6.2 Approved by: Jason Singh, HR Business Partner on behalf of the Assistant Director of Human Resources.

7. EQUALITIES IMPACT

7.1 A full Equalities Impact Assessment has been completed for the Connect2 Project. The assessment highlights the potential for increase cycling and walking facilities to have positive impact for all user groups. All ages can benefit from this scheme by supporting cycling, promoting healthy lifestyles and installing walking routes.

7.2 The consultation has raised concerns regarding the use of the parths by cyclists and the impact on more vulnerable user groups. Care is being taken with the detailed design to ensure that any potential impact of the proposals on more vulnerable users are properly mitigated and the Equalities Impact Assessment updated.

8. ENVIRONMENTAL IMPACT

8.1 The proposals for Connect2 have been carefully developed to ensure a positive environmental and design impact and are in line with Croydon's public realm design guide.

8.2 The environmental impacts / benefits of the project include:

- Improved cycling facilities and increased use of sustainable transport in and across the Borough
- Enhanced biodiversity through additional tree planting.
- Minimization of carbon footprint in terms of new construction and ongoing maintenance activities.
- Involve the sustainable management of construction waste and re-use of materials on site where possible.

9. CRIME AND DISORDER REDUCTION IMPACT

9.1 The Connect2 project should contribute to reduced crime and disorder in parks by increasing numbers of users thereby increasing natural surveillance. The consultation has raised concerns regarding the considerate use of the paths by cyclists. We are looking to mitigate this with patrolling by the Council's Neighbourhood Safety Officers.

10. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

10.1 The footways being considered for shared use are to aid cyclists to: join existing and new cycle links along quieter routes which avoid fast moving traffic on the carriageways; and provide local connections between places of residence, work, recreation and other local facilities.

11. OPTIONS CONSIDERED AND REJECTED

11.1 The options considered in the consultation are as identified in paragraph 3.6 above. They were:

- Option 1 (the preferred option) –Proceed with the proposed cycling permitted routes as identified in the public in order to secure the grant funding. An amended version of this option is recommended for delivery. Sections of routes in Wandle Park and Park Hill have been omitted from the scheme in response to concerns raised in the public consultation.
- Option 2: Implement alternative routes within the parks. This option has been rejected. Alternative routes suggested would either create new paths that would be prohibitively expensive, or would have a detrimental impact on the appearance of the parks or did not provide a useable cycle route. These options would not provide the improved cycling facilities, would lose external funding opportunities and the ability to travel more affordably, safely and sustainably through Croydon’s green spaces.
- Option 3: Reject proposals for cycling. This option has been rejected. This would not provide the improved cycling facilities, lose external funding opportunities and the ability to travel more affordably, safely and sustainably through Croydon’s green spaces.
- Option 4: Alternative suggestions. This option has been rejected. The alternative suggestions focussed on signposting routes that uses only public highway. Such a route would be significantly more circuitous making it much less likely to be used. In the case of Park Hill in particular, some of the roads that would need to be used if the park is to be avoided are not conducive to cycling. Under the terms of the funding agreement with the Council, Sustrans could require repayment of part of their funding.

CONTACT OFFICER:

Tom Sweeney, Walking and Cycling Programme Manager
Ext: 62575

BACKGROUND DOCUMENT: Equalities Impact Assessment

APPENDICES TO THIS REPORT:

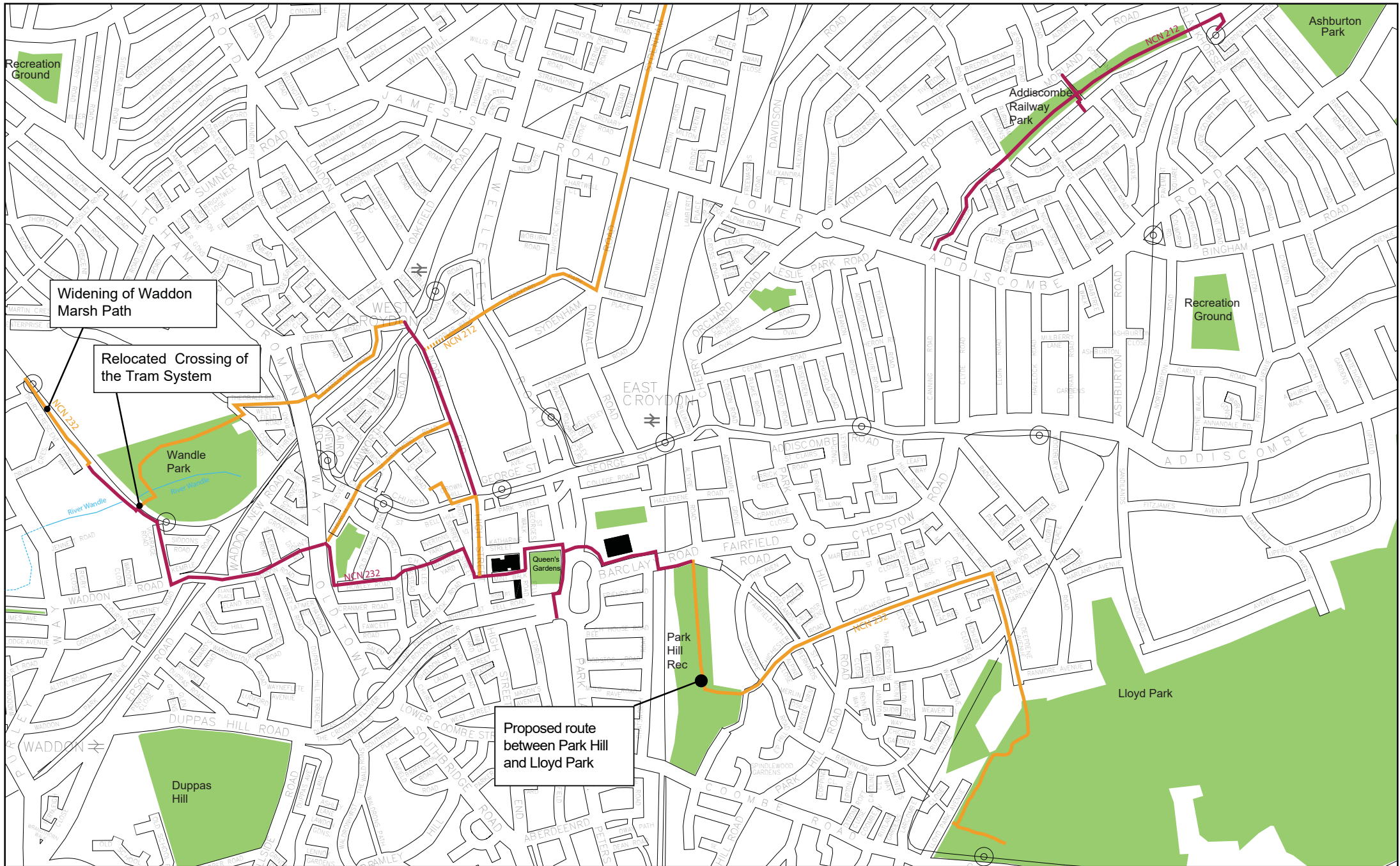
Appendix A: The Connect2 Network

Appendix B –Proposed New Cycle Routes in Croydon’s Parks- Wandle Park

**Appendix B –Proposed New Cycle Routes in Croydon’s Parks- Park Hill
Recreation Ground**

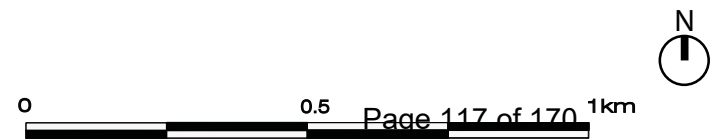
Appendix B –Proposed New Cycle Routes in Croydon’s Parks- Lloyd Park

Appendix C – Summary of Consultation Responses



Connect2 Croydon's Parks Network 2016

- Key**
- Connect2 route open 2016
 - Cycle routes to be opened 2016/17 (parks subject to consultation)



Appendix B

Lloyd Park - Proposed plans

- - Proposed cycle routes consulted on but not to be implemented
- Proposed cycle routes to be implemented
- Existing paths
- 1 Proposed safety markings on path
- 2 Proposed National Cycle Network 232 directional signage
- 3 Proposed new tree planting (exact locations to be agreed)
-  Children's play area
-  Showers
-  Cafe
-  Tennis Court
-  Basketball Court
-  Exercise area
- P Parking
-  Disabled Parking
-  Existing trees
-  Existing buildings



Coombe Lodge

Appendix B

Park Hill Recreation Ground - Proposed plans

- - - Proposed cycle routes consulted on but not to be implemented

█ Proposed cycle route in park to be implemented

█ Existing paths

█ Existing facilities and buildings

1 Proposed safety markings on path

2 Proposed National Cycle Network 232 directional signage

3 Proposed new tree planting (exact locations to be agreed)

█ Proposed relocation of existing benches between existing trees (exact locations to be agreed)

█ Proposed new entrance gates

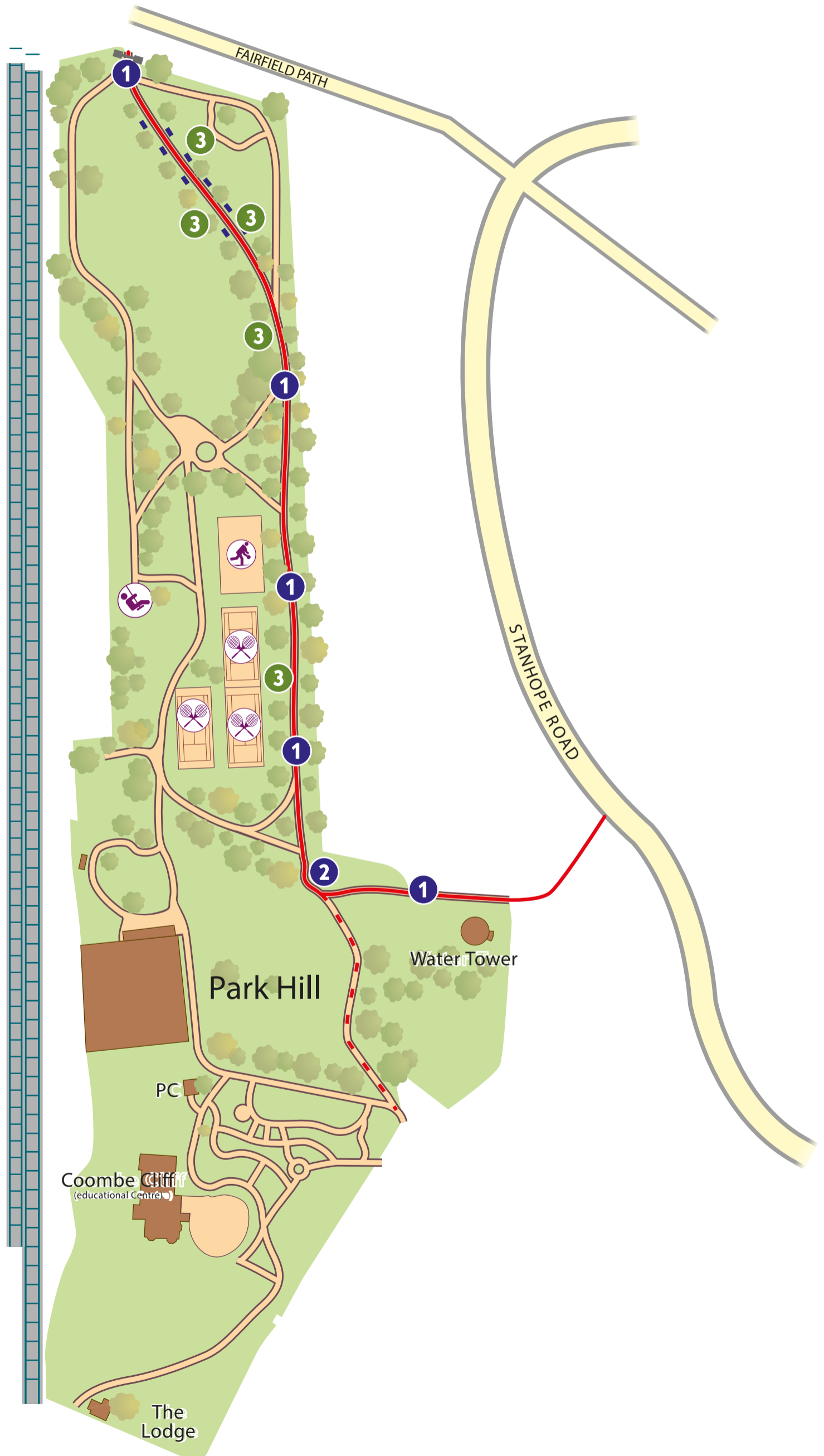
⊗ Children's play area

⊗ Showers

⊗ Cafe








⊗ Tennis Court

⊗ Basketball Court



Appendix B

Wandle Park - Proposed plans

- - - Proposed cycle routes consulted on but not to be implemented
- Proposed cycle routes to be implemented
- Existing paths
- 1** Proposed safety markings on path
- 2** Proposed National Cycle Network 232 directional signage
- 3** Proposed new tree planting (exact locations to be agreed)
-  Children's play area
-  Showers
-  Cafe
-  Tennis Court
-  Exercise area
- P** Parking
-  Disabled Parking
-  Existing trees
-  Existing facilities and buildings



Proposed lowering and extension of existing wall and placing of new railings on top of remaining wall

Appendix C – Cycling in Parks Summary of Consultation Responses

Lloyd Park

76% of people responding about Lloyd Park supported proposals for cycling in the park. The following table lists the reasons given by the 24% of people who objected to proposals for cycling, together with the officer response:

Issue	Officer Response
Safety / conflict with pedestrians	Minor amendments: Scheme has been reviewed through safety audit process. Detail of signage, speed limit and safety markings amended as part of detailed design.
Cycle path will destroy character / tranquillity of park	Minor amendments: New path will be situated on the edge of the park. Route will be sensitively designed to fit into the existing character of the park. Small changes to proposed tree planting.
Not enforceable	Minor amendments: The routes will be patrolled by Neighbourhood Safety Officers. Patrols will be focussed on when the routes open up. Additional work will be done with schools and the community to encourage considerate cycling.
Conflict with activities eg park run	Not supported: Proposals are sited on the edge of the park, away from main park activities. Park run can be accommodated adjacent to the proposed path.
Antisocial behaviour	Not supported: Antisocial behaviour unlikely to increase and there is an argument to say that increasing use of the park will make the park safer. Issues of potential conflict between cyclists and pedestrians addressed above
Expensive	Not supported: Proposals have received significant grant funding and are reasonably priced, especially considering potential benefits to health, air quality, etc.
Access to Coombe Road unsafe	Proposals amended: We will review the access arrangements with the Council's highways team, conduct a road safety audit of the design and make any necessary amendments to the Coombe Road exit.
Encourage other vehicle accesses / traveller access	Proposals amended: Bollards will be provided to ensure that vehicles cannot access new parts of the park.
Litter	Not supported: Proposals not likely to result in an increase in litter
Conflict with vehicles in car park	Not supported: Detailed designs will be subject to a road safety audit of the design to ensure that there is no conflict with vehicles in the car park.
Destroy views	Minor amendments to tree planting.
Increase maintenance	Not supported: The scheme will bring about capital investment in the park, improving the

Issue	Officer Response
	surfacing of paths that require maintenance. The detailed design of the scheme will ensure that the scheme uses materials in line with the Council's public realm design guide which are robust and easily maintained.
Construction impact on allotments / school access	Minor amendments: Access for schools, to allotments and measures to control construction impacts to be included in construction phase plan.
Cycles should not just be allowed on the path, they should be able to cycle in other parts of park.	Not supported: Privileges to byelaws envisage clearly marked out routes.
Object to speed limit for cyclists	Proposals amended: The proposed 10mph limit for cycles would not be consistent with the current 5mph speed limit in parks to be adhered to. It is therefore proposed that cyclist adhere to the existing 5mph speed limit for all vehicles in parks.

Park Hill Recreation Ground

70% of people responding about Park Hill Recreation Ground supported proposals for cycling in the park. The following table lists the reasons given by the 30% of people who objected to proposals for cycling, together with the officer response:

Issue	Officer Response
Safety / conflict with pedestrians	Proposal amended: Steepest section of path omitted from scheme and overall extent of proposals reduced. Scheme has been reviewed through safety audit process. Detail of signage, speed limit and safety markings amended as part of detailed design.
Not enforceable	Not supported: The routes will be patrolled by Neighbourhood Safety Officers. Patrols will be focussed on when the routes open up. Additional work will be done with schools and the community to encourage considerate cycling.
Cycle path will destroy character / tranquillity of park	Proposals amended: Whilst the number of cycles is unlikely to affect the overall levels of tranquillity, proposals omit part of the cycle route to reduce the impact.
Park too small	Proposals amended: Whilst park is seen as of a suitable size to contain cycle routes, proposals now only include the route from Stanhope Road to Barclay Road to reduce the impact.
Route too steep	Proposals amended: The steepest part of the route (at the top of Water Tower Hill) has been omitted. The detailed design for the remainder of the route includes measures to encourage cyclists to cycle slowly.
Exceeds / Conflicts with 5mph speed limit	Proposals amended: The proposed 10mph limit for cycles would not be consistent with the current 5mph speed limit in parks to be adhered to. It is therefore proposed that cyclist adhere to the existing 5mph speed limit for all vehicles in parks.
Route Not needed	Not supported: The route is part of a key part the Borough's cycling proposals and is needed to create routes away from busy trafficked routes.
Conflict with activities	Not supported: scheme uses path away from main activities.
Access to Water tower hill unsafe	Proposals amended: Spur of route to Water Tower Hill has been omitted.
Lead to Park being Open at night	Not supported: The current park opening and closing times will remain unaltered by these proposals'
Not want through route	Not supported: The route is part of a key part the Borough's cycling proposals and is needed to create routes away from busy trafficked routes.
Antisocial behaviour	Not supported: Antisocial behaviour unlikely to increase and there is an argument to say that

Issue	Officer Response
	increasing use of the park will make the park safer. Issues of potential conflict between cyclists and pedestrians addressed above
Increase maintenance	Not supported: The scheme will bring about capital investment in the park, improving the surfacing of paths that require maintenance. The detailed design of the scheme will ensure that the scheme uses materials in line with the Council's public realm design guide which are robust and easily maintained.
Loss of trees	Not supported: There are no proposals to remove trees as part of the scheme.

Wandle Park

79% of people responding about Park Hill Recreation Ground supported proposals for cycling in the park. The following table lists the reasons given by the 21% of people who objected to proposals for cycling, together with the officer response:

Issue	Officer Response
Safety / conflict with pedestrians / dogs/ children / elderly	Proposal amended: Route now away from play area, rose garden and cafe. Scheme has been reviewed through safety audit process. Detail of signage, speed limit and safety markings amended as part of detailed design
Cycle path will destroy character / tranquillity of park	Proposals amended: Whilst the number of cycles is unlikely to affect the overall levels of tranquillity, proposals now only include the northern part of the park as the cycle route to reduce the impact.
Not enforceable	Not supported: The routes will be patrolled by Neighbourhood Safety Officers. Patrols will be focussed on when the routes open up. Additional work will be done with schools and the community to encourage considerate cycling.
Park too small	Proposals amended: Whilst park is seen as of a suitable size to contain cycle routes, proposals now only include the northern part of the park as the cycle route to reduce the impact.
Affect ecology / bird breeding	Not supported: Proposals have been sited away from any sensitive areas of ecology (adjacent to the river Wandle)
Antisocial behaviour	Not supported: Antisocial behaviour unlikely to increase and there is an argument to say that increasing use of the park will make the park safer. Issues of potential conflict between cyclists and pedestrians addressed above
Position of tram crossing need to change (tramlink comment)	Proposal amended: Proposed tram crossing relocated closer to the tram stop. Cycle route will use this crossing (not the existing entrance from Vicarage Road) to reduce potential pedestrian / cycle conflict on tram platform.
Exceeds / Conflicts with 5mph speed limit	Proposals amended: The proposed 10mph limit for cycles would not be consistent with the current 5mph speed limit in parks to be adhered to. It is therefore proposed that cyclist adhere to the existing 5mph speed limit for all vehicles in parks.

REPORT TO:	Cabinet 12 December 2016
AGENDA ITEM NO:	13
SUBJECT:	STAGE 1: RECOMMENDATIONS ARISING FROM: SCRUTINY AND OVERVIEW COMMITTEE MEETING ON 1 NOVEMBER 2016
LEAD OFFICERS:	Richard Simpson, Executive Director 'Resources' and S151 Officer Stephen Rowan – Head of Democratic Services and Scrutiny
LEAD MEMBER:	Councillor Sean Fitzsimons Chair, Scrutiny and Overview Committee
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT:	The constitutional requirement that Cabinet receives recommendations from scrutiny committees and to respond to the recommendations within two months of the receipt of the recommendations.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations contained within this report:

1. RECOMMENDATIONS

Cabinet is asked to:

- 1.1 Receive the recommendations arising from the meeting of the Scrutiny and Overview Committee (1 November 2016), and to provide a substantive response within two months (ie. at the next available Cabinet meeting on **20 February 2017**)

2. EXECUTIVE SUMMARY

- 2.1 On 1 November 2016, the Scrutiny and Overview Committee considered an item on a Gypsy and Traveller Welfare mini-review and a question time item with the Cabinet Member for Culture, Leisure and Sport. At the meeting the Committee made recommendations to Cabinet and these are contained in Section 3 of this report.

The constitution requires that an interim or full response is provided within 2 months of this Cabinet meeting.

3. SCRUTINY AND OVERVIEW COMMITTEE RECOMMENDATIONS

The Scrutiny and Overview Committee at its meeting on 1 November 2016 resolved to ask Cabinet that:

Question Time with the Cabinet Member for Culture, Leisure and Sport

- 1 the Council's Bylaws relating to Parks and Open Spaces to be reviewed to ensure they remain relevant and enforceable.
- 2 Council IT systems supporting services in parks and open spaces are improved to provide greater integration between the different performance management software systems and the council's resident reporting platforms.
- 3 the Scrutiny & Overview Committee be invited to participate in pre-decision discussions on the re-commissioning of contracts relating to leisure services and grounds maintenance, specifically with regard to the outcomes to be delivered by new contracts

Gypsy and Traveller Welfare Mini-Review

On accommodating Gypsies and Travellers, the Cabinet is recommended to:

- 1 Ensure that Cabinet Members with individual portfolio responsibilities for services affecting Gypsies and Travellers work together in conjunction with a named lead officer in order to co-ordinate the collective Cabinet response to the needs of this community, help unblock any problems they have in accessing services, advocate best practice within the Council and its partners and support bids for funding.
- 2 Establish a Gypsy and Travellers Working Group with a membership drawn from the council (eg. community safety and enforcement, parks, planning, health, tenancy, housing and education departments), partners (eg. the Police, Public Health, CCG, Octavo, relevant schools) and elected Members.
- 3 Ask the Gateway service to establish a tailored approach to respond to Gypsy and Traveller needs, specifically in relation to cultural aspects of housing allocation and provision.

- 4 Urge the Mayor of London to take a pan-London approach to the provision of transit sites across London to cater to Gypsies and Travellers passing through as this would result in fewer unauthorised encampments on both public and private land across the capital.
- 5 Actively work with neighbouring boroughs to investigate whether the provision of pan-borough transit site(s) is viable to help provide accommodation for travellers passing through the area as working with other boroughs is likely to reduce the amount of time the site(s) would be left empty.
- 6 Investigate whether the development of pan-borough transit site(s) would allow the strategic use of S62a powers (under the Criminal Justice and Public Order Act 1994).
- 7 Monitor the new combined transit and permanent site operated by Brighton & Hove council in order to assess its viability and whether it achieves its desired outcomes including reducing the number of unauthorised encampments within the city while providing a self-funded site.
- 8 Explore the option of making an application to the Mayor of London for funding from the Affordable Homes Fund for the development and refurbishment of sites and funding for a Gypsy and Traveller liaison officer.
- 9 Understand that it is vital that Pitch Allocation Policies for any new permanent site(s) are carefully drawn up and include clear and transparent procedures for allocating pitches and that they are developed in conjunction with Gypsy and Traveller communities.
- 10 Make sure the council is at the cutting edge of design so any site can be future proof and successfully house both English Gypsies and Irish Travellers. Additionally even though it is not relevant today but other groups such as New Travellers should be considered at the design stage.
- 11 Investigate the possibility of some Lathams Way residents moving to the new permanent site to make renovation of Latham's Way easier and cheaper, produce two mixed English/Irish camps and give Lathams Way a fresh start so the council can manage and take "ownership" of the site. In addition if a mixed permanent/transit site was to be considered Lathams Way would be then be a candidate as it would have space and is located on a major arterial road.
- 12 Consider the immediate use of negotiated stopping places and the use of 'social contracts' (as exemplified by Leeds GATE) for Gypsy and Traveller families known to have connections to the borough.
- 13 Undertake early engagement with Traveller family groups that are at risk of repeated evictions and allow creative and tailored approaches to provision of permanent sites in order to stop repeated evictions for the family and reduce costs to the council and Police.

- 14 Provide Biffa bins, waste services and portaloos to Gypsies and Travellers at unauthorised encampments and negotiated stopping places to help reduce waste and clean-up costs.
- 15 Establish Member learning and development sessions to increase knowledge and understanding of Gypsy and Traveller issues (see point 5.20, page 35, GTANA 2013).
- 16 Continue the good work already achieved in educating residents about unlicensed waste removal operators and encourage the Gypsy and Traveller community to get involved with “Don’t Mess With Croydon”.
- 17 Instruct the council’s press office to make sure good news stories about Gypsies and Travellers are promoted and help the Traveller community build a good relationship with the local press and, therefore, the wider community.

On Social Exclusion of Gypsies and Travellers, the Cabinet is recommended to:

- 18 Work with Health partners to ensure that the social isolation and exclusion needs of Gypsies and Travellers are considered within the joint commissioning and volunteering priorities identified by the Fairness Commission, particularly in relation to ‘Leaving No Child Behind’.
- 19 Consider using existing resources to develop an outreach service to cover the healthcare and mental health needs of families possibly using peer Health and Education mentors drawn from Gypsy and Traveller communities.
- 20 Explore the potential for role models and mentors to be identified to support, guide and encourage other young people from Gypsy and Traveller communities stay in education and/or training from Key Stage 3 and beyond (as highlighted in the 2010 DfE report Improving the outcomes for Gypsy Roma and Traveller Pupils).
- 21 Encourage all schools and academies to share best practice on the particular cultural needs of Gypsy and Traveller pupils particularly from Key Stage 3, including those needing special education needs support.
- 22 Explore the opportunity for vocational courses to be offered in Croydon for young people aged 14+ including Gypsy and Traveller young people.
- 23 Consider the schools admissions process and in particular undertake targeted work to prevent late applications, provide support for online applications and to take into account ‘home to school’ distance during the school admissions process in order to help drive up attendance at school.
- 24 Review its funding for Croydon’s TES to ensure that this valuable service, which supports pupils, parents and schools and increases the likelihood of Gypsy and Traveller pupils accessing and staying in education, is protected from further cuts.

25 Encourage schools and academies to promote Gypsy Roma Traveller History Month so that Gypsy and Traveller culture, language and history receive greater recognition.

These recommendations and a timetable for response are attached at **Appendix A**.

6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

Not relevant for the purposes of this report.

7. COMMENTS OF THE BOROUGH SOLICITOR AND MONITORING OFFICER

The recommendations are in accordance with the constitution.

This requires that the Scrutiny report is received and registered at this Cabinet Meeting and that a substantive response is provided within 2 months (ie. **Cabinet, 20 February 2017** is the next available meeting).

8. HUMAN RESOURCES IMPACT

Not relevant for the purposes of this report.

9. EQUALITIES IMPACT

Not relevant for the purposes of this report.

10. ENVIRONMENTAL IMPACT

Not relevant for the purposes of this report.

11. CRIME AND DISORDER REDUCTION IMPACT

Not relevant for the purposes of this report.

CONTACT OFFICER:

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and Scrutiny
T: 020 8726 6000 X 62529
Email: stephen.rowan@croydon.gov.uk

BACKGROUND DOCUMENTS:

Background document 1: Reports to the Scrutiny and Overview Committee on 1 November 2016.

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kab14.pl?operation=SUBMIT&meet=17&cmte=SOC&grpId=public&arc=1>

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
Question time with the Cabinet Member for Culture, Leisure and Sport (A65/16) - At its meeting on 1 November 2016, the Scrutiny and Overview Committee RESOLVED that::						
1. the Council's Bylaws relating to Parks and Open Spaces to be reviewed to ensure they remain relevant and enforceable.						SOC 7 March 2017
2. Council IT systems supporting services in parks and open spaces are improved to provide greater integration between the different performance management software systems and the council's resident reporting platforms						SOC 7 March 2017
3. the Scrutiny & Overview Committee be invited to participate in pre-decision discussions on the re-commissioning of contracts relating to leisure services and grounds maintenance, specifically with regard to the outcomes to be delivered by new contracts						SOC 7 March 2017

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
Gypsy and Traveller Welfare Mini-Review (A67/16) - At its meeting on 1 November 2016, the Scrutiny and Overview Committee RESOLVED that::						
<p><i>On accommodating Gypsies and Travellers, the Cabinet is recommended to:</i></p> <p>1 Ensure that Cabinet Members with individual portfolio responsibilities for services affecting Gypsies and Travellers work together in conjunction with a named lead officer in order to co-ordinate the collective Cabinet response to the needs of this community, help unblock any problems they have in accessing services, advocate best practice within the Council and its partners and support bids for funding.</p>						SOC 7 March 2017
<p>2 Ask the Gateway service to establish a tailored approach to respond to Gypsy and Traveller needs, specifically in relation to cultural aspects of housing allocation and provision.</p>						SOC 7 March 2017
<p>3 Urge the Mayor of London to take a pan-London approach to the provision of transit sites across London to cater to Gypsies and Travellers passing through as this would result in fewer unauthorised encampments on both public and private land across the capital.</p>						SOC 7 March 2017

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4 Actively work with neighbouring boroughs to investigate whether the provision of pan-borough transit site(s) is viable to help provide accommodation for travellers passing through the area as working with other boroughs is likely to reduce the amount of time the site(s) would be left empty.						SOC 7 March 2017
5 Investigate whether the development of pan-borough transit site(s) would allow the strategic use of S62a powers (under the Criminal Justice and Public Order Act 1994).						SOC 7 March 2017
6 Monitor the new combined transit and permanent site operated by Brighton & Hove council in order to assess its viability and whether it achieves its desired outcomes including reducing the number of unauthorised encampments within the city while providing a self-funded site.						SOC 7 March 2017
7 Explore the option of making an application to the Mayor of London for funding from the Affordable Homes Fund for the development and refurbishment of sites and funding for a Gypsy and Traveller liaison officer.						SOC 7 March 2017

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
8 Understand that it is vital that Pitch Allocation Policies for any new permanent site(s) are carefully drawn up and include clear and transparent procedures for allocating pitches and that they are developed in conjunction with Gypsy and Traveller communities.						SOC 7 March 2017
9 Make sure the council is at the cutting edge of design so any site can be future proof and successfully house both English Gypsies and Irish Travellers. Additionally even though it is not relevant today but other groups such as New Travellers should be considered at the design stage.						SOC 7 March 2017
10 Investigate the possibility of some Lathams Way residents moving to the new permanent site to make renovation of Latham's Way easier and cheaper, produce two mixed English/Irish camps and give Lathams Way a fresh start so the council can manage and take "ownership" of the site. In addition if a mixed permanent/transit site was to be considered Lathams Way would be then be a candidate as it would have space and is located on a major arterial road.						SOC 7 March 2017

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11 Consider the immediate use of negotiated stopping places and the use of 'social contracts' (as exemplified by Leeds GATE) for Gypsy and Traveller families known to have connections to the borough.						SOC 7 March 2017
12 Undertake early engagement with Traveller family groups that are at risk of repeated evictions and allow creative and tailored approaches to provision of permanent sites in order to stop repeated evictions for the family and reduce costs to the council and Police.						SOC 7 March 2017
13 Provide Biffa bins, waste services and portaloos to Gypsies and Travellers at unauthorised encampments and negotiated stopping places to help reduce waste and clean-up costs.						SOC 7 March 2017
14 Establish Member learning and development sessions to increase knowledge and understanding of Gypsy and Traveller issues (see point 5.20, page 35, GTANA 2013).						SOC 7 March 2017

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
15 Continue the good work already achieved in educating residents about un-licensed waste removal operators and encourage the Gypsy and Traveller community to get involved with "Don't Mess With Croydon".						SOC 7 March 2017
16 Instruct the council's press office to make sure good news stories about Gypsies and Travellers are promoted and help the Traveller community build a good relationship with the local press and, therefore, the wider community.						SOC 7 March 2017
On Social Exclusion of Gypsies and Travellers, the Cabinet is recommended to: 17 Work with Health partners to ensure that the social isolation and exclusion needs of Gypsies and Travellers are considered within the joint commissioning and volunteering priorities identified by the Fairness Commission, particularly in relation to 'Leaving No Child Behind'.						SOC 7 March 2017
18 Consider using existing resources to develop an outreach service to cover the healthcare and mental health needs of families possibly using peer Health and Education mentors drawn from Gypsy and Traveller communities.						SOC 7 March 2017

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19 Explore the potential for role models and mentors to be identified to support, guide and encourage other young people from Gypsy and Traveller communities stay in education and/or training from Key Stage 3 and beyond (as highlighted in the 2010 DfE report Improving the outcomes for Gypsy Roma and Traveller Pupils).						SOC 7 March 2017
20 Encourage all schools and academies to share best practice on the particular cultural needs of Gypsy and Traveller pupils particularly from Key Stage 3, including those needing special education needs support.						SOC 7 March 2017
21 Explore the opportunity for vocational courses to be offered in Croydon for young people aged 14+ including Gypsy and Traveller young people.						SOC 7 March 2017
22 Consider the schools admissions process and in particular undertake targeted work to prevent late applications, provide support for online applications and to take into account 'home to school' distance during the school admissions process in order to help drive up attendance at school.						SOC 7 March 2017

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23 Review its funding for Croydon's TES to ensure that this valuable service, which supports pupils, parents and schools and increases the likelihood of Gypsy and Traveller pupils accessing and staying in education, is protected from further cuts.						SOC 7 March 2017
24 Encourage schools and academies to promote Gypsy Roma Traveller History Month so that Gypsy and Traveller culture, language and history receive greater recognition.						SOC 7 March 2017

Croydon Council

REPORT TO:	CABINET 12th December 2016
AGENDA ITEM:	14.1
SUBJECT:	Investing in our borough
LEAD OFFICER:	Sarah Ireland, Director of Strategy Communities and Commissioning
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.</p> <p>The Council's commissioning strategy sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our contractual and partnership relationships are not only aligned to our corporate priorities but also represent value for money for citizens and taxpayers, contributing to the growth agenda for Croydon. The contracts (awarded or recommended for award) and partnership arrangements included in this report will support the Council to achieve the Ambitious for Croydon outcome "to be innovative and enterprising in using available resources to change lives for the better."</p>	
<p>FINANCIAL SUMMARY: There are no direct costs arising from this report.</p>	
<p>KEY DECISION REFERENCE NO.: There are key decisions mentioned in this report, but approval of the recommendations in Section 1 of the report would not constitute key decisions.</p>	

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

1. RECOMMENDATIONS

1.1 The Cabinet is requested to note:-

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

1.1.2 Contract awards recommended to the Cabinet for approval which are the subject of a separate agenda item and referenced in section 4.2 of this report.

2. EXECUTIVE SUMMARY

- 2.1 This is a standard report which is presented to the Cabinet, for information, at every scheduled Cabinet meeting to update Members on:
- Contracts anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Treasury and with the Leader in certain circumstances, before the next meeting of Cabinet.
 - Delegated contract award decisions made by the Director of Strategy Communities and Commissioning 13/10/2016 – 9/11/2016
[As at the date of this report there are none]
 - Property acquisitions and disposals to be agreed by the Cabinet or the Cabinet Member for Finance and Treasury (as appropriate) either as part of this agenda or before the next meeting of Cabinet.
[As at the date of this report there are none]
 - Contract awards to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
 - Partnership arrangements to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
[As at the date of this report there are none]

3. DETAIL

- 3.1 Section 4.1 of this report lists those contracts that are anticipated to be awarded by the nominated Cabinet Member.
- 3.2 Section 4.2 of this report lists the contract award recommended to the Cabinet for approval at this meeting. This contract award is the subject of a separate agenda item and is itemised in this report for information only.
- 3.3 Procurement strategies where the value of the proposed contract is above £5,000,000 and approved under the Leaders delegation by, as appropriate, Executive Directors for Place and People departments or the Assistant Chief Executive Corporate Resources for the Resources department in consultation with the Cabinet Member for Finance and Treasury are available on the Croydon Council website found via this link [Procurement Strategies](#)
- 3.4 The Council's Procurement Strategy and Tenders & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

4. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 Proposed contract awards

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

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Extension of Adult Social Care Preventative Third Sector Contracts for an additional term of 2 (1+1) years	Total contract term £899,500 Approximate annual value £449,750		People/ Cllr Louisa Woodley
Award of Contracts for Corporate Property, Terrorism and Casualty Insurance for a maximum contract term of 5 years (initial term of 3 years with option to extend for a further 2 years)	Total contract term £505,517		Resources/ Cllr Simon Hall
Croydon Enterprise Loan Fund Delivery Services for an initial 3.5 year period, with the option to extend up to a further 3.5 years		Total contract term £1,093,750	Place/ Cllr Mark Watson

4.2 Revenue and Capital consequences of contract award decisions to be taken by Cabinet which are the subject of a separate agenda item.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
Award of 16+ new Semi Independent Accommodation and Support Services Framework – for a contract term of 2 years with an option to extend for a further 2 years	Total contract value £8,400,000 Annual contract value £2,100,000		People

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
Real Letting 2 Property investment – for a contract term of 7 years		Total contract value £15,000,000	People

Approved by: Lisa Taylor, Assistant Director of Finance and Deputy Section 151 Officer

5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 5.1 The Council Solicitor comments that the information contained within this report is required to be reported to Members in accordance with the Council's Tenders and Contracts Regulations and the council's Financial Regulations in relation to the acquisition or disposal of assets.

Approved for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor and Acting Monitoring Officer

6. HUMAN RESOURCES IMPACT

- 6.1 There are no immediate HR issues that arise from the strategic recommendations in this report for LBC staff. Any specific contracts that arise as a result of this report should have their HR implications independently assessed by a senior HR professional.

Approved by: Jason Singh, HR Business Partner

7. EQUALITY IMPACT

- 7.1 An Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 7.2 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty

(PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a “protected characteristic” and those who do not and take action to eliminate the potential of discrimination in the provision of services.

7.3 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.

8. ENVIRONMENTAL IMPACT

8.1 Any issues emerging in reports to the relevant Cabinet member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

9. CRIME AND DISORDER REDUCTION IMPACT

9.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

CONTACT OFFICER:

Name:	Genine Whitehorne
Post title:	Head of Strategy, Communities and Commissioning (Resources)
Telephone no:	60584

BACKGROUND DOCUMENTS:

The following public background reports are not printed with this agenda, but are available as background documents on the Croydon Council website agenda which can be found via this link [Cabinet agendas](#)

- *Extension of Adult Social Care Preventative Third Sector Contracts*
- *Award of Contracts for Corporate Property, Terrorism and Casualty Insurance*
- *Croydon Enterprise Loan Fund Delivery Services*

CONFIDENTIAL BACKGROUND DOCUMENTS- EXEMPT FROM PUBLIC DISCLOSURE

The following Part B background documents are exempt from public disclosure because they contain exempt information as defined in paragraph no. 3 of Schedule 12a to the Local Government Act 1972 (as amended).

- *Award of Contracts for Corporate Property, Terrorism and Casualty Insurance*

REPORT TO:	Cabinet 12 December 2016
AGENDA ITEM:	14.2
SUBJECT:	Award of 16+ Semi Independent Accommodation and Support Services Framework
LEAD OFFICER:	Barbara Peacock, Executive Director People
CABINET MEMBER:	Cllr Alisa Flemming Cabinet Member for Children, Young People and Learning and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:	
<p>The provision of semi-independent living services refers to accommodation and support services for vulnerable children and young people aged 16-17 that enables them preparing for their independence and reaching full potential during their transition to adult life.</p> <p>The development of the semi independent accommodation (SIA) Framework supports the achievement of a number of corporate priorities and supports the Administration's ambition to protect the most vulnerable and to enhance the life chances of Looked After Children, as contained in the Community Strategy 2013-2018:</p> <ul style="list-style-type: none"> • by providing a safe place where vulnerable children maximise their independence (C2, B3) • by improving permanence and wellbeing outcomes for Looked After Children (C2.4). <p>It also enables the Council to meet the statutory duties placed by the Children (Leaving Care) Act 2000 and Volume 2 & 3 of the Children Act (Care Planning/Transition to Adulthood) by helping young people who have been looked after by a local authority achieve a successful transition from care into living independently. The Leaving Care Act (2000) requires that 16/17 year old 'relevant' children are provided with or maintained in suitable accommodation (unless the local authority is satisfied that their welfare does not require it). The act imposes additional leaving care duties to support and assist young people who are 16 plus and leaving care or who are eligible as children formerly in care. This includes duties to assess and meet the care and support needs of eligible and relevant children and Young People and to assist former relevant children, in particular, in respect of their employment, education and training.</p>	

FINANCIAL IMPACT:

The total anticipated contract value of the SIA framework is £8.4m for the lifetime of the framework (2 plus 2 years at £2.1m per annum), based on the existing trend and the numbers of vulnerable young people remaining broadly similar to the current numbers.

These costs will be funded from the Councils revenue budget for the local Looked After Children, and the Home Office for UASC, with the Council Funding any shortfall associated with UASC if the Home Office grant is not sufficient to cover costs.

The framework approach in this report anticipates cost savings of up to 10%.

KEY DECISION REFERENCE NO.: 3216CAB This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

1. RECOMMENDATIONS

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

- 1.1 The Cabinet is asked to approve the establishment of a framework agreement ("the Framework Agreement") for the delivery of Semi Independent Accommodation Framework for the provision of accommodation and support service to Looked After Children between 16 and 17 years old and the appointment of the providers to the Lot 1 Standard Placements, Lot 2 Sub-lots Complex Placements (and their respective Reserve Lists) detailed in the associated Part B report on this agenda for a term for a term of two (2) years with an option to extend for a further two (2) years at a maximum contract value of 8.4m.
- 1.2 The Cabinet is asked to note that the names of the successful providers will be released once the appointments to the Framework Agreement have been agreed and implemented

2. EXECUTIVE SUMMARY

- 2.1 The Council has undertaken a tendering exercise with the aim of establishing a Framework Agreement to enable the Council deliver more efficient commissioning arrangements in the semi independent market as well as meet its sufficiency duty in terms of providing a range of semi-independent living service for Looked After Children aged 16 and 17 years who are able to live independently with various levels of support. The Framework Agreement will assist the Council in implementing its role as corporate parent to help and assist vulnerable young people in care to make a successful transition to a healthy and productive adult life. It will further enable the Council to secure availability of an affordable high quality service at the same time of creating more choice and

flexibility in the range of provision including those obtained locally and within a 20 mile radius.

- 2.2 The current contracts awarded under the existing approach using framework arrangements will expire on the 31st December 2016 following the approval of an extension by way of contract variation (decision reference no 32.16.LR). This will align to the planned implementation of the new Framework Agreement that will be in place by the 1st January 2017. Therefore the re-procurement of this service will ensure service continuity and the provision of high quality care for Looked After Children with robustly tested providers. It is expected that the contracts awarded under the new Framework Agreement will offer a high level of flexibility to meet future changing service needs and a continuum of support for young people moving from care to living independently in the community.
- 2.3 The procurement strategy for SIA Services was approved under the delegated authority given by the Leader of the Council (decision reference 36.16.LR).
- 2.4 The purpose of this report is to advise the Cabinet of the tenders received and the evaluation undertaken, further to which the recommendation is made for establishment of the new Framework Agreement for the delivery of Semi Independent Accommodation and Support Services for Young People Looked After aged 16 and 17 years.

CCB Approval Date	CCB ref. number
3 rd November 2016	CCB1178/16-17

3. DETAIL

INTRODUCTION & BACKGROUND

- 3.1 The procurement of SIA supports the Council in meeting its sufficiency duty by providing additional placement capacity as an alternative to increasing demand for in-house and Independent Fostering Agencies (IFA) foster care provision, especially for children with highly complex needs. The proposed Framework Agreement will assist the Council in achieving this by improving access to high quality placements and creating greater competition in the social care market. The procurement exercise was undertaken in accordance with the 'Light Touch' regime under PCR 2015.
- 3.2 The new Framework Agreement for the provision of semi-independent placements will support the Council in securing a wider choice of external semi-independent placements and ensuring a diverse and quality assured market with clear agreed pricing structures. This will allow the service to continue to maintain a reduction in the number of residential and fostering placements and create greater choice and flexibility in the range of provision in the borough.

Procurement Approach

- 3.3 The approach taken for this procurement was to advertise for providers to tender for a new Framework Agreement that will provide SIA placements for children who are in need of standard and complex placements. The Council intends to

procure only new placements for semi-independent accommodation and support services through the Framework Agreement without affecting any existing placements. This will ensure that the stability of placements is maintained for all children looked after who are in their existing semi-independent placements.

3.4 The services within the Framework Agreement have been divided into two Lots based upon different categories of need as described below:

- **Lot 1:** Standard Placements including support services to enable the transition into independent living. Standard placements with basic support package (5 hours) included in the accommodation charge. No guarantee or commitment is provided by the Council as to the total volume or value of the Services that may be requested from a Provider who is appointed to Lot 1.
- **Lot 2: Complex placements** - supported accommodation for young people with complex and challenging needs including young people being remanded into care or other young people who are involved in the criminal justice system. This service offers 24 hour accommodation with enhanced level of support. Providers will be expected to provide a pathway for supporting Young People accommodated under a Complex Placement to move on to low need (i.e. Standard Placement) services aiming at tenancy sustainment and stability.
 - (i) Lot 2 Sub-Lot 1 will operate at a minimum volume of 12 placements with varying needs of support packages to be awarded in each year of the Framework Agreement.
 - (ii) Lot 2 Sub-Lot 2: the Council does not commit to awarding any minimum volume of placements under this Sub-Lot. The Council currently envisages that Sub-Lot 2 will be primarily reserved for the award of emergency Complex Placements.

3.5 Providers who tendered have been recommended for appointment to the relevant Lots on the Framework Agreement, on the basis of their ability to satisfy the Council that they could meet the qualitative requirements of the Service Specification and on their pricing using an evaluation methodology of 60% Price and 40% Quality.

3.6 Compliance with the Council's mandatory requirements and minimum quality standards were specified in the eligibility and subsequent award criteria of the tendering process. Site visits have been undertaken to shortlisted providers to verify information provided within the Method Statement. This process ensured that minimum quality standard have been met by all providers recommended for contract award. Additionally, the quality will be assured through robust monitoring of semi-independent placements within the Framework Agreement.

3.7 The Tenderers meeting the Council's selection requirements and ranked in order of their MEAT scoring (with the tender who provided the highest scored tender being ranked in first place) are recommended to be appointed under the

Framework Agreement; 15 Tenderers for Lot 1 Standard Placements and 5 Tenderers for each Lot 2 Complex Placement Sub-lot.

- 3.8 Those tenderers who have met the selection requirements for appointment to the Framework Agreement, and (a) who did not have a score in the top 15 (for Lot 1) and (b) who did not score on the top 5 (Lot 2 Sub-lot 1 and 2) highest scoring Tenderers are appointed to the Framework Agreement in order of their MEAT scores as a "reserve" list. This was made known to all bidders during the course of the tender process.
- 3.9 The operational implementation of the Framework Agreement will take place through the use of the Call-Off Procedures which sets out how individual placements will be made for each Lot/ Sub-lot. When a new placement is required the Council's intention is to approach the Eligible Providers on the relevant Lot/Sub-Lot in the first instance in the order described below to enable them to have the earliest opportunity to propose a care package.
- For the standard placements, two equal tiers of Eligible Providers will be established based on their ranking by the overall highest score of Quality and Price. The Council will first of all approach the top tier providers for call-offs. If, no suitable matches are found and the requirements of the call-off cannot be provided by the Eligible Providers, then the Council will approach those Providers on the reserve list in the same manner.
 - For specialist placements, the Council will first approach the Eligible Providers in Sub-Lot 1 who have offered to provide the Council's minimum guaranteed requirement for 12 Complex Placements in any year by order of their ranking. For any emergency spot placements, the Council will first approach the Eligible Providers in Sub-Lot 2, applying the same ranking and award approach. If no suitable matches are found and the requirements of the call-off cannot be provided by Eligible Providers, then the Council may approach Providers in the reserve list for Sub-Lot 2 in the same manner.
- 3.10 In all cases, the Council will set out the criterion for award of the call off and Individual Placement Agreement, which criterion are based on the best suitability to the needs of the child.
- 3.11 The Framework Agreement sets out an annual refresh procedure that is open to all of those providers who have been appointed to the Framework Agreement, whether as Eligible Providers or on the reserve lists for the respective Lots/ Sub-Lots. This procedure will be undertaken at the discretion of the Council.
- 3.12 The refresh will be set out in the form of a mini- competition via the London Tenders Portal and will enable all providers on the Framework Agreement (providing that their services have not been suspended and they have satisfactory passed a quality assurance inspection) to update their pricing schedules. Prices for the refresh process will be evaluated using the same methodology used for evaluation of price in relation to appointment to the Framework Agreement. Tenderers will not have the opportunity to change the Lots or sub-lots which they have previously applied for. This process will result

in the re-ranking of the providers within each Lot/ Sub-lot (including the reserve lists within the Lots/Sub-Lots).

- 3.13 The Terms & Conditions and Service Specifications under the Framework Agreement have been subject to a robust development process. They were developed using the London Care Placement Model Contract and have been updated to reflect the Council's requirements. External legal advice is provided on the tender including the refreshing the Framework Agreement and awarding call off contracts.
- 3.14 The overall procurement approach for this service recognises the importance of social value and enables local providers to participate in the provision of semi-independent placements. Social value selection criteria was included in the tender documentation on the basis of the Council's priorities. It has also encouraged the market response in creating apprenticeship and job opportunities for local people and further investment staff training that will in turn enhance the advice and support given to children and young people looked after in the borough. All providers were required to commit to paying any person employed or engaged in the performance of the services a rate at least equivalent to London Living Wage (LLW).
- 3.15 This Framework Agreement offers opportunity for partnerships development across the semi-independent market to better support transitioning of the young people toward their independent living in the community. All Providers who applied only for Complex Placements have confirmed their intention to establish a partnership with a Provider appointed to Standard placement to ensure smooth transition and continuity of services being delivered to young people with changing placement needs. Further work will be undertaken post contact award to support establishment of partnerships across the Framework Agreement Providers and ensure joint working arrangements and information sharing protocols are developed.

Evaluation

- 3.16 The tender exercise was undertaken in line with a single-stage 'Open' procurement process. The Tender opened on the 22nd June 2016 with the deadline for submission on the 25th July 2016. Tenders were received from a total of 28 providers for the Lots/Sub-lots, noting that tenderers have submitted tenders for any number of Lots/Sub-lots.
- 3.17 Tenderers were required to submit responses to the standard suite of PQQ questions. A number of questions set out under Section 6 Additional Technical and Professional Ability Questions were scored by a tender evaluation panel. There was a greater level of scrutiny at this stage of the assessment due the service being unregulated by Ofsted and included assessment of various company policies, level of staffing qualification and training. Of the 28 tenders received, 3 tenders failed at this stage on the basis of receiving a low health score and not meeting the Council's minimum quality standards.
- 3.18 The 25 tenderers who successfully passed the initial evaluation were then subject to a further qualitative evaluation of their ability to meet the Council's

service requirements. Tenderers applied to be considered for any or a combination of Lot 1, and Lot 2 Sub-lot 1, 2 as presented below:

- Lot 1 Standard Placements - 22 tenders
- Lot 2 Sub-Lot 1: Complex Placements - 16 tenders
- Lot 2 Sub-Lot 2: Complex Placements - 17 tenders

- 3.19 Tenderers were required to submit separate method statements for each of Lot 1 (Standard Placements) and Lot 2 (Complex Placements) and separate prices for each of the individual Sub-lots within Lot 2 (Complex Placements). Tenderers were notified of the weighting that each quality criterion would carry. The evaluation of Tender Response was carried out separately for Lot 1 (Standard Placements) and Lot 2 (Complex Placements), and the award decisions for Lot 1 (Standard Placements) and each of the Sub-Lots within Lot 2 (Complex Placements) was independent of each other.
- 3.20 Pricing for each lot and sub lot (Standard, Complex) was evaluated separately. For the purpose of evaluation and entry onto the Framework Agreement prices submitted by Tenderers was averaged with specific weighting applied to standard and enhanced support packages for each Lot/Sub-Lot.
- 3.21 The tender assessment process for appointment to the Framework Agreement upon conclusion resulted in the development of 3 lists of successful Tenderers for appointment to each of Lot 1 (Standard Placements) and each of the Sub-Lots within Lot 2 (Complex Placements) in order of the scores they have achieved for the relevant Lot/Sub-Lot following the MEAT assessment.

The Evaluation Panel

- 3.22 The evaluation panel was made up from officers and managers from the Children Social Care Team and Strategy, Communities and Commissioning (People). The Panel was chaired by the Delivery Manager for Fostering and Business Relationships Team. Each evaluator evaluated every qualitative submission independently and then the scores were brought together at moderation panels. A moderated score was agreed for each tender quality criteria. Successful Tenderers had to meet the minimum score of 3 out of 5 for any quality criteria (with the exception of the question relating to the participation in the Premier Supply Programme).
- 3.23 The tender evaluation was completed on the 19th October 2016 with a final moderation meeting undertaken on the 27th October 2016.

CONTRACT MANAGEMENT AND COMPLIANCE ARRANGEMENTS

- 3.24 The proposed SIA Framework Agreement will continue to ensure improved service quality for Looked After Children. The Council has a statutory obligation to ensure that young people placed in semi-independent accommodation are cared for in establishments that have been thoroughly vetted and meet the minimum standards. On a national basis, semi-independent accommodation for young people between the ages of 16-17 remains unregulated by Ofsted and therefore, local authorities are required to implement their own monitoring

systems. In Croydon, the implementation of Contract Management Framework ensures that the required health and safety, safeguarding and safe caring standards are met and continue to promote the welfare and safety of Looked After Children.

- 3.25 Contract performance will be aligned to a set of quality areas measured through a performance scorecard. The data is reported through the robust governance arrangements agreed to manage the Framework Agreement.
- 3.26 Contract management and compliance arrangements are specified in the agreement and will include compliance audits at providers' premises, quarterly contract performance review meetings, announced and unannounced site visits as required and service user satisfaction surveys. Annual verification visits will be conducted for all providers including those on the reserve list.

4. CONSULTATION

- 4.1 Consultation has taken place on the development of the procurement approach through consultation events with a range of partners including LAC Permanency Team, Leaving Care, Housing, SNAP, BRT (placements team) as well as Provider Forums and engagement events with Looked After Children in semi-independent placements.
- 4.2 Delivery managers, Head of Service and the Divisional Director for Children Social Care have been consulted on the proposed tendering exercise.
- 4.3 Commissioners and service leads formed part of the tender project group that had responsibility for overseeing the tendering process; they provided both service and client group expertise whilst also playing an active role in devising an appropriate service specification in addition to sitting on tender evaluation.
- 4.5 The feedback, which is presented below, has informed the development of the new procurement approach and service specifications:
- Achieving independence through early preparation and support before transitioning to adulthood remains important to the young people.
 - During this period of transition and uncertainty in the young people's lives, they want to be informed, given choice, listened to and supported.
 - Building a trusting environment for young people in placement is essential in achieving and progressing into their adulthood.
 - Greater need to focus on the equality of the workforce employed to deliver key working support and staff training to meet the need of UASC population.
 - Greater need to raise cultural awareness of the workforce working with vulnerable UASC.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue Budget available				
Local CLA	1,450	1,450	1,450	1,450
UASC	750	750	750	750
Total	2,200	2,200	2,200	2,200
Effect of decision from report				
Local CLA	1,200	900	900	900
UASC	1,030	1,200	1,200	£1,200
Expenditure				
Income				
Remaining budget	<u>(30)</u>	<u>(100)</u>	<u>(100)</u>	<u>(100)</u>

5.2 The effect of the decision

The total contract value for the four year period is estimated to be £8.4m based on anticipated volumes. It is anticipated that local placements will cost £3.6m and UASC placements will cost £4.8m. The funding for local placements will be met from the revenue budgets and the UASC placements will be funded from the Home Office UASC grant, with any shortfall being funded from revenue budgets. It is essential that placements are regularly reviewed to ensure costs are kept within budget.

The new contract will commence in January 2017 and therefore the level of savings against budget in 2016/17 shown above are only a part year.

5.3 Risks have been updated to inform the delays in the establishment of the new Framework by 1 January 2017 and that all new placements will be made on the new framework thereafter.

Key Risk	Likelihood	Mitigation
Safeguarding issues, risk of child not being safeguarded in the placement	Low	Compliance with safeguarding requirements were assessed during the tender process. The providers will be subject to requirements to comply with s11 self-assessment audit.
Challenge from providers in respect of procurement process.	Low	The Services in question fall within Schedule 3 to the PCR 2015, as such the Council was obliged to follow new 2015 "light touch regime.

		Involvement and advice sought from Legal Services
The demand for complex placements is below the guaranteed volume of work.	Low/ Med	The volume of work is set at a minimum of 60% of current placement needs on an annual basis. This volume is based on the historical prediction of the number of indigenous young people placed in 24 hour units. The numbers may fluctuate in future, though a large increase is not anticipated. The reduction in total cost and the small number of beds is felt to mitigate this risk.
Reduction in current HO daily rates in 2016/17	High	The council are making representations to the Home Office to ensure the funding rate paid is sufficient to fund all costs incurred. Currently the rate paid by the Home Office does not fully cover UASC costs, contributing to the financial pressure that the Children's Divisional budgets are experiencing.

5.4 Options

This proposal to develop a new Framework Agreement is considered to be the optimum approach in the current circumstances.

All other options considered are included in the Procurement Strategy report.

5.5 Future savings/efficiencies

It is anticipated that the new framework will achieve better value for money and cost saving up to 10%. This procurement contributes to the Croydon Challenge project for LAC that brings together a number of strategies aimed at ensuring that we as the Corporate Parent the Council are looking after those children where in ways that we can really improve their lives.

Approved by: Lisa Taylor, Assistant Director of Finance and Deputy Section 151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the procurement process as detailed in this report would meet the requirements of the Council's Tenders and Contracts Regulations and the statutory duty to demonstrate best value under the Local Government Act 1999.

Approved for and on behalf of Jacqueline Harris-Baker, Acting Council Solicitor & Acting Monitoring Officer

7. HUMAN RESOURCES IMPACT

7.1 This paper makes recommendations which may involve service provision changes with the current providers, and this may invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation. However, where the activities of the new service are "fundamentally not the same", TUPE

may not apply, as provided for by the 2014 amendments to the Transfer of Undertakings (Protection of Employment) 2006 Legislation. The application of TUPE or otherwise would be determined between the service providers.

Nevertheless, this could remain a change of service provision for which the Council is the client; on that basis, the role of the Council would usually extend no further than facilitating the process. There is no other substantial Human Resource impact for LBC staff.

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

8. EQUALITIES IMPACT

8.1 The equality analysis of the SIA new Framework was undertaken. The analysis identified that the proposed procurement activity is likely to have a positive impact on equality groups that share a protected characteristic. There is no projected reduction in commissioned placements affecting access through the strategy. It is in fact expected to result in an increased number and quality of placements. The project will have a positive benefit for vulnerable Looked After Children as it provides regulated and supported accommodation for vulnerable young people in care.

9. ENVIRONMENTAL IMPACT

9.1 There is no environmental impact arising from the recommendations in this report

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 Ensuring the welfare and safety of children by providing the right type of care and support is expected to have positive implications for children and young people. This is likely to allow for better educational and health outcomes for young people. In addition it is anticipated that this care and support will also significantly contribute to community safety by reducing the potential for young people to be involved in anti-social behaviour and or criminal activity.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The new Framework will ensure that the services are continued to be provided by the Council in line with PCR 2015 and will enable the alignment of future services.

11.2 The proposed Framework Agreement will ensure improved service quality for children in care as this is an unregulated market but a key focus of inspections undertaken by Ofsted.

12. OPTIONS CONSIDERED AND REJECTED

12.1 No other options other than those detailed in section 4 are being considered

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: Public - none

Exempt background document:

CCB Report: Contract Award – Extension of Semi Independent Accommodation Framework