

# Cabinet Background documents



- 11. Investing in our Borough** (Pages 3 - 166)  
Cabinet Member: Cabinet Member for Resources & Financial Governance, Councillor Callton Young  
Officer: Interim Corporate Director of Resources (Section 151 Officer), Richard Ennis  
Key decision: no
- 13. Parking ANPR Cameras contract award** (Pages 167 - 214)  
Cabinet Member: Cabinet Member for Sustainable Croydon, Councillor Muhammad Ali  
Officer: Interim Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Sarah Hayward  
Key decision: yes

Katherine Kerswell  
Chief Executive  
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**Contract Award Report PART A FOR PUBLICATION**

Date of meeting	04/11/2021
By	Chaz Blackwood Performance Officer
Title	Parking services ICT Case management system contract award
Project Sponsor	Steve Iles Director of Sustainable Communities
Executive Director	Sarah Hayward Corporate Director Sustainable Communities, Regeneration & Economic Recovery
Lead Member	Cabinet Member for Sustainable Croydon Cllr Muhammad Ali
Key Decision	1821RFG This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

**1. Recommendations**

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

**1. RECOMMENDATIONS**

1.1 The Cabinet member for Sustainable Croydon Cllr Muhammad Ali in consultation with the Cabinet Member for Resources and Financial Governance is recommended by the Contracts and Commissioning Board to approve the award in accordance with Regulation 28.4(c) of the Council's Tenders and Contracts Regulations for the Parking ICT Case Management system for a contract term of 10 years (with break provision in years 3,6 and 8) to the contractor and for the value stated in Part B of this report

Note the contractor name and contract value will be published following contract award.

**2. Background & strategic context**

1. The report recommends the award of a contact to the preferred bidder (Bidder C) following a competitive tender in compliance with the Council Tenders and Contracts Regulations and Public Contract Regulations. The award of a contract for a parking management IT system brings a social value offer which will benefit local residents. The solution will assist the council in the administration and enforcement, and license administration, for parking and facilitate income collection.

1.1 Core functionality is dictated by statutory requirements contained within parking and traffic legislation, such as the Traffic Management Act 2004, London Local Authorities Acts 1996 – 2007 & Road Traffic Act 1984

2. The system will enable the processing and issue of Parking Dispensations, Suspensions and the collection of payments, which is currently a manual process that takes place outside of the back office system. By incorporating this into the back office system, the need for the Council to chase overdue invoices will be greatly reduced, as payments will be in real-time, before a suspension or dispensation is approved and processed. This will enable staff to be redirected onto the growing workload being produced from the redevelopment building activities.

2.1 Parking revenue is a key income source which supports the Council priorities 2021-24 for Renewing Croydon: "We will live within our means, balance the books and provide value for money for our residents."

**2.2 Healthy Streets:**

A drive to manage the environmental impact of vehicular traffic in the borough, means that the introduction of emissions based permits and diesel surcharging occurred in 2019 / 2020. This look up is being carried out manually and it is necessary to have an efficient processing system that can deal with and automate the added complexities that this has brought to the process.

2.3 The cloud hosted solution will comply with the Council digital strategy of cloud first.

## 2.4 Financial impact

Contract award will commit the Council to contract costs (set out in Part B) for the contract term. Budget is available from existing operational budgets. Revenue from parking charges is a key source of income for the Council.

Innovation with the offer will further assist the council in the administration and enforcement, and license administration, for parking and facilitate additional increased income collection.

2.5 A strategy was approved by CCB on 6.4.20 (CCB1564/19-20) and as part of the Investing in our Borough report 11 May 2020 that strategy was approved by Cabinet (Notice date 19/5/2020). The procurement has followed the approved strategy.

## 3 Financial implications

### 3.1 Essential Spend Criteria

The requirement is considered to meet the essential spend criteria and has been approved by the Corporate Director Sustainable Communities, Regeneration & Economic Recovery

- expenditure required to deliver the council's provision of essential statutory services at a minimum possible level

The award will ensure the council is able to meet its statutory obligations in respect of parking enforcement.

- expenditure to better the financial situation

This is expenditure necessary to achieve value for money Parking services is a traffic management function that generates £18m of income per annum and over £7.5m of that is from enforcement and permits which would not be processed successfully without a parking management system in place.

Financial and risk considerations are set out below. Revenue and Capital consequences of report recommendations are set out in Part B

### 3.2 The effect of the decision

The council will commit to contract costs for the 10 year term (unless contract breaks are enacted in years 3, 6 or 8). Budgetary provision exists for this from existing revenue and capital budgets.

### 3.3 Risks

Financial checks were undertaken to confirm the financial viability of the selected supplier, in relation to the contract value, risk, appropriate financial standing and capability to meet the financial obligations under the contract.

The contract will make use of Financial Distress triggers

Key operational risks are set out in Part B.

### 3.4 Options

Re-procurement of the back office system was the approved strategy. Variant bids were not allowed. No other options resulted from the procurement.

### 3.5 Future savings/efficiencies

The system will enable the processing and issue of Parking Dispensations, Suspensions and the collection of payments, which is currently a manual process that takes place outside of the back office system. By incorporating this into the back office system, the need for the Council to chase overdue invoices will be greatly reduced, as payments will be in real-time, before a suspension or dispensation is approved and processed. This will enable staff to be redirected onto the growing workload being produced from the redevelopment building activities

Approved by: Darrell Jones Head of Finance on behalf of Michael Jarrett, Head of Finance

## 4 Supporting information

### 4.1 Tender process

An Open EU tender was conducted using the Council e-tendering portal in accordance with the approved strategy. The requirements included Exclusion Grounds such as suitability thresholds, economic and financial standing, technical and professional ability, Modern Slavery Act compliance, equality and diversity, Covid-19 business continuity, London Living wage, Insurance and (subject to financial health checks) requiring either bonds or guarantees..

4.2 A 60% quality with a 40% price ratio was used for evaluation.

A combination of pass/fail requirements was used along with method statements to evidence how requirements can be met. Quality criteria evaluated comprised:

Technical merit/functionality

Aesthetic and functional characteristics ease of use

Implementation/Mobilisation

Technical assistance/ Support and After sales service

Added Value/innovation

PSP early payment programme.

Social Value

4.3 The council standard evaluation and scoring methodology was used. Scoring against method statements and functional / non-functional requirements was on the following basis: A weighting was applied to each Method Statement/requirement. Each Method Statement/requirement which is not pass/fail was scored by the evaluation panel and awarded marks in a range of 0 to 5. A score of 3 or more is fully compliant. Total weighted quality scores for each bidder were assigned a percentage against the 60% available for Quality.

5	Excellent	Exceeds the requirement. Exceptional demonstration by the Tenderer of their relevant understanding, skills, resource and quality measures provided in the method statement. Response identifies factors that demonstrate added value, with evidence to support the response.
4	Good	Satisfies the requirement with minor additional benefits. Above average demonstration by the Tenderer of the relevant understanding, skills, resource and quality measures provided in the method statement. Response identifies factors that demonstrate added value, with evidence to support the response.
3	Acceptable	Satisfies the requirement. Demonstration by the Tenderer of the relevant understanding, skills, resource and quality measures provided in the method statement, with evidence to support the response.
2	Minor Reservations	Satisfies the requirement with minor reservations. Some minor reservations of the Tenderer's relevant understanding, skills, resource and quality measures provided in the method statement, with limited evidence to support the response.
1	Serious Reservations	Satisfies the requirement with serious reservations. Serious reservations of the Tenderer's relevant understanding, skills, resource and quality measures provided in the method statement, with little or no evidence to support the response.
0	Unacceptable	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the understanding, skills, resource and quality measure, with little or no evidence to support the response.

4.4 An evaluation panel comprised officers from the parking service, supported by Finance, legal and procurement evaluated tenders.

- Customer Service, Policy & Performance Manager, subject matter expert for Parking

- Service Delivery Officer, subject matter expert for Parking
- Category Manager for ICT procurement and commercial
- CCTV Operations Manager, CCTV subject matter expert for Parking
- Customer Services Team Leader, Back Office subject matter expert for Parking
- Customer Services Team Leader, Debt Registration & Back Office subject matter expert for Parking
- Infrastructure Manager, subject matter expert for parking
- Service Delivery Officer, Permits subject matter expert for parking
- Enforcement Manager, subject matter expert for parking
- CDS for IT technical knowledge
- A subject matter expert for Information management
- Finance lead for financial evaluation

#### **4.5 Pricing was evaluated as follows:**

The Tenderer which submitted the lowest bona fide Total Contract Value Tender price received the maximum price score of 40(%). Scores for other Tenderers were calculated on the following basis: The lowest submitted total price divided by a bidders' submitted total price multiplied by 40%. For evaluation purposes price totals include the tendered price plus any risk values provided by bidders, any third party costs which bidders include and a standard calculated figure based on each bidders tendered day rates and/or transaction charges. This was set out to bidders in the tender documentation ensures it is possible to compare where one bidder provides an all-inclusive price compared to others where day rates or transaction charges are applied.

Total Quality scores and price scores are then combined for a total score.

#### **4.6 References**

References were taken up and bidders were given the opportunity to demonstrate their solutions via online meetings.

#### **4.7 Number of Bids**

Three (3) bids were received and evaluated.

Forty seven (47) suppliers did not respond after expressing an interest.

Nine (9) bidders opted out, reasons given included the following:

“Unable to be competitive”

“Insufficient resources at this time”

“Unable to supply”

“Not related to our field of business”

“Opting for lot 2 not lot 1”

“Unable to meet timescales”

#### **4.8 Result of the Tender Evaluation**

Bidder C is recommended as the preferred bidder.

Overall evaluation scores are shown in the following table. All three bidders returned solutions which met requirements with only minor reservations against some of the criteria. The preferred bidder (Bidder C) achieved the highest (and compliant) quality score and was particularly considered to have proposed innovative solutions as part of the tender.

The recommended bidder price was also the lowest, therefore attaining the highest score for price.

More details are set out in the Part B report.

Cost Score	Quality Score	Total	Rank	Bidder
40.00	23.91	63.91	1	C
32.66	17.19	49.86	3	B
37.71	20.26	57.98	2	A

#### 4.9 Terms of the award

The contract term is for 10 years (with break points after years 3, 6 and 8). The contract terms and conditions were based on existing Council terms further developed with in-house and external lawyers to reflect the specialist nature of IT related requirements. There are no TUPE or direct staffing implications.

#### 4.10 Social Value:

The recommended Bidder C offered several measurable benefits covering Social Value indicators SV1, SV2 SV3 SV4 SV5.

Details are in Part B.

#### 4.11 London Living Wage:

Compliance with London Living wage formed part of tender requirements and is also contained within the contract terms and conditions. The recommended supplier is compliant.

#### 4.12 Premier Supplier Programme

Bidders were invited to enter into the programme which formed 2% of the quality scoring. The recommended bidder committed to joining the scheme at the highest discount rate of 2%.

#### 4.13 Contract Management

Any new implementation will require detailed agreed project plans and milestones which will be payment related and built into the contract. A contract management plan will be implemented.

The head of Highways and Parking will manage the contract supported by the customer service and policy manager and performance officers. For ongoing support, the contract will incorporate regular performance review meetings with agreed escalation paths. The meetings will review performance against the service level regime established in the contract – covering such areas as:

performance against contracted targets and service levels:

- availability of the system,
- system response and report times,
- incident resolution
- user satisfaction
- service credits.
- Social value deliverables
- service improvements

#### 4.14 Exit arrangements and transition plan

A summary of exit arrangements from any existing contract and the transition plans are set out in the Part B report.

#### 4.15 Consultation

Consultation was initially undertaken with stakeholders from Finance, Legal, Croydon Digital Services, Equalities, Procurement, HR, Parking Head of Service and information Management. Their feedback was used

to inform strategy. Additionally it was ensured that as many stakeholders as possible were actively included in both the drafting of the specification and where possible, as process experts in the evaluation of the bidder responses.

The initial Specification was drafted by Managers from each business area to ensure that the solution reflected our needs was realistic and reflected current best practice.

Following this, the draft specification was sent to Council Officers from ICT (Solutions Architect), Data Management (Information Officer) Procurement (Category Manager) and external legal advice was obtained.

Following publication of the Tender, the responses and method statements were evaluated by a panel consisting of the Enforcement Manager, Two Investigations Managers, a permit specialist, the Head of Legal Business & Compliance, an Information Officer, ICT (Solutions Architect), Parking Performance officer & Customer Services, Policy & Performance Manager (Parking procurement lead).

This has ensured that any bids that meet the specifications at a minimum meet business needs, ICT and Data protection requirements.

#### **4.16 Human resources impact**

Not applicable

#### **4.17 Equalities impact**

All bidders were required to provide evidence of equality policies and equalities training for their employees.

A detailed Equality Analysis has concluded that the effect of the re-procurement will be neutral as far as equalities is concerned, there will be no major change - the Equality Analysis demonstrates that the policy is robust and that the evidence shows no potential for discrimination and that all opportunities to advance equality have been taken. The analysis has been signed off by both the Equalities Manager and the Director of Sustainable Communities.

#### **4.18 Environmental impact Healthy Streets:**

A drive to manage the environmental impact of vehicular traffic in the borough, means that the introduction of emissions based permits and diesel surcharging is being planned and it is necessary to have an efficient processing system that can deal with and automate the added complexities that this will bring to the process. The planned solution will assist with the desire to improve air quality for a cleaner environment in line with the Council "Carbon Management Energy Efficiency Programme" (approved by Cabinet October 2010) set a target to reduce carbon emissions from the council's own operations by 25% over the next 5 years (compared to 2009/10 baseline).

The contract awarded to the successful bidder will include a schedule for exit management which will include requirements for decommissioning including requirements to meet Waste Electrical and Electronic Equipment recycling (WEEE) Directives. A cloud hosted solution also contributes to aspirations around energy use and associated carbon dioxide emissions of IT equipment.

#### **4.19 Crime and disorder reduction impact**

The system will facilitate parking violation enforcement to help reduce antisocial parking and associated disruption.

#### **4.20 Data protection implications**

A Data Protection Impact Assessment has been completed and points raised by the Data Protection Officer and Information Management (IM) have been addressed. Bidders for the tender were required to meet any and all data protection legislation requirements. IM was included in requirements.

The council publishes a Privacy Notice on the council website, Data subjects are informed on the PCN how their information will be used, why, where they can view the Privacy Notice. Personal data is already collected and is used in order to carry out our obligations under the Traffic Management Act 2004 to enforce parking restrictions.



Data sharing agreement with the new suppliers is part of the contract. The requirement to comply with General Data Protection Regulation (GDPR) is in the specification.

The council only use the data for the purposes of enforcing parking restrictions. The system will enable us to deal with Data Subject Requests and retrieve the information held on our database. A comprehensive search and reporting suite, will enable the cross referencing of multiple PCNs over a period of up to 6 years (retention period) if required”

An initial DPIA has been carried out and sent to IM, and will be reviewed now the solutions has been chosen. The bulk of the DPIA was completed before going out to tender (and that way we ensured that any stricter requirements for processing were accounted for in the tender documents & contract);

The DPIA can now be amended to name the provider and set out their specific measures for data security. It is a mandatory requirement that the eventual successful bidder complies with all data protection requirements.

The successful supplier of the Back Office ICT system demonstrated that they are able to comply with the DVLA’s requirements for the handling of Keeper details that are supplied.

The Director of Sustainable Communities confirms that a DPIA has been completed and will be kept under review.

*(Approved by: Chaz Blackwood on behalf of the Director of Sustainable Communities”*

#### 4.21 Risks

A number of risks have been identified which are and will be managed by the service and programme leads and contract managers who will be responsible for ensuring mitigations are undertaken. A programme board oversees the progress and status. A risk log will be maintained throughout the contract.

No.	Risk	Potential impact	Controls / Commentary
1	Resources – unable to provide staff for project or provide the time. (eg Covid or essential spend criteria related)	Project stalls – delivery of procurement programme fails and existing contract expires.	Resource plan has been developed and agreed.  Funding is in place for resource to be dedicated to this project. A short extension of up to 12 months has been agreed under delegated authority for the existing systems contract to ensure continuity of service
2.	Council CDS (ICT) Resource requirements.	If requirements across the Council and external providers resources are not aligned then delays in implementation will ensue.	Regular dialogue already established with CDS and regular meetings established to ensure co-ordination. Mitigation such as a short extension of up to 12 months has been agreed under delegated authority for the existing systems contract to ensure continuity of service

3.	Data migration requires significant resource and skills expertise	Information does not migrate over in a timely manner. Critical path timescales slip.	Ensure detailed mapping and migration plan completed. Ensure migration is fully resourced to avoid slippage.
4.	The procurement exercise does not bring forward a suitable supplier.	Existing contract due to expire.	Market engagement is good, making sure a suitable and attractive business opportunity is tendered to attract suppliers
5.	Procurement is challenged by unsuccessful bidders	Delays implementation past the contract expiry date or prevents the award of the new contract	Ensure robust tender and evaluation takes place  Involvement of Corporate legal  Agreement with current supplier has been put in place to continue to provide the service under the current terms until successful implementation if needed
6.	Successful bidder has resourcing issues	Implementation delayed past the contract expiry date	Council to satisfy itself in the tendering process that bidders are able to cope with the volume of work required and have the relevant experience
7.	Data protection risks	This will conduct the way data is transferred the controls that need to be put in place.	Data processing issues should be kept under review during the project and into commissioning. This should include conducting and keeping the DPIA under review to ensure that there is a method of recording and assessing such risks. Contract performance and management should include compliance with the requirements of the DPIA and general requirements of GDPR. Enforcement responsibilities will be processed by new methods and so privacy statements and ticketing will be revised to take this into account.

			A DPIA will be carried out prior to contract award
8.	Essential spend Financial Risks	Impact of essential spend criteria and publicity around Section 114 on supplier confidence, availability of in house resources, ability of Council to meet contractual obligations	Spend Control Panel to approve considered essential spend, and generates income for Council. New functionality will bring working efficiencies.
9.	Future resourcing risks	Availability of resources to manage increased PCN or case volumes	To be assessed.  Note the solutions also allow for maintaining volumes with less resources.

## 5 Conclusion and reasons for recommendations

5.1 The report recommends the award of a contact to the preferred bidder (Bidder C) following a competitive tender in compliance with the Council Tenders and Contracts Regulations and Public Contract Regulations.

The preferred bidder meets all mandatory requirements and financial checks and adds value with a social value offer which will benefit local residents. Innovation with their offer will assist the council in the administration and enforcement, and license administration, for parking and facilitate income collection. Further detail is set out in Part B.

### 5.2 Options considered and rejected

In respect of the options for the outcome of the tender no other options were presented for consideration. Alternate bids were not allowed. The tender followed the procurement route recommended in the approved strategy report.

## 6 Outcome and approvals

Outcome	Date agreed	
<i>Insert outcome of CCB discussion</i>	Service Director Steve Iles Director of Sustainable Communities <i>(to confirm Executive Director has approved the report)</i>	23/5/21
	Cabinet Member for Resources & Financial Governance	11/11/21
	Legal Services Sonia Likhari	4.11.21
	Director of Finance & deputy Section 151 Officer	4/11/21
	Human Resources (if applicable)	<i>Insert date reviewed report (sent 6/5)</i>
	C&P Head of Service Scott Funnell	27/5/21
	Lead Member <i>Clr Ali</i>	16/5/21
	CCB	CCB1708/21-22 – 12/11/21

## 7 Legal Considerations

7.1 The Council is under a general Duty of Best Value to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)

The Cabinet Member is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution.

Approved by Sonia Likhari, on behalf of the Interim Director of Law and Governance & Deputy Monitoring Officer

## **8 Chief Finance Officer comments on the financial implications**

8.1 The award of this contract can be funded through existing Revenue and Capital budgets and will be crucial in supporting the legal requirements to enable the Council to enforce Traffic Management Act regulations and keep the boroughs roads free flowing, to penalise customers who do not pay for Pay and display and to discourage poor driving behaviours.

Approved by: Darrell Jones Finance Manager on behalf of Michael Jarrett Head of Finance on behalf of the Chief Finance Officer

CONTACT OFFICER: Chaz Blackwood: Performance Officer *Ext 60764*

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Date of meeting	18/11/21
By	Jon Mellor Technology and Architect Manager
Title	Telephony System Contract Award
Project Sponsor	Neil Williams, Chief Digital Officer & Director of Resident Access
Executive Director	Elaine Jackson, Interim Assistant Chief Executive
Lead Member	CLlr Young Cabinet Member for Resources and Financial Governance
Key Decision	<b>6321RFG</b> The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

## 1. Recommendations

The Contracts and Commissioning Board is asked to recommend to the Cabinet Member for Resources and Financial Governance in consultation with the Leader to approve the award of telephony and contact centre system contract in accordance with Regulation 28.4c of the Council's Tenders and Contracts Regulations system for a contract term of up to 7 years (5 years + 1+1) as set out in detail below.

The Leader of the Council has delegated to the Cabinet Member Resources and Financial Governance in consultation with the Leader the power to make the decisions set out in the recommendations below

1.1 The Cabinet member for Cabinet Member for Resources and Financial Governance in consultation with the Leader is recommended by the Contracts and Commissioning Board to approve the award of a telephony and contact centre system contract in accordance with Regulation 28.4(c) of the Council's Tenders and Contracts Regulations for a contract term of up to 7 years (5 years +1+1) to the contractor and for the value stated in Part B of this report.

Note the contractor name and contract value will be published following contract award.

## 2. Background & strategic context

This award report sets out the background and rationale for the procurement of a replacement telephony and contact centre solution and recommends a contract award as a result of a competitive tender.

### 2.1 Renewing Croydon

Croydon Council is facing a serious financial challenge.

2 of the 3 current priorities of the Council for 2021-24 are:

- Live within our means, balance the books and provide value for money for our residents –and:
- Focus on providing the best quality core service we can afford

2.2 The Pandemic has forced changes to how we deliver some services by introducing digital options which are more convenient for residents to use and more efficient for the Council to operate. The Council will also be undertaking significant organisational change over the 12 months to manage service demand and our customer experience. Providing a robust telephony solution directly supports the current and future needs of residents and staff. The Council must have an effective, resilient and agile telephony system for general use as well as a system to meet the needs of the Contact Centre.

2.3 The telephony solution needs to support the Council's Digital Strategy, with a particular focus on:

- Digital Council - how the Council uses digital design, data and technology to work efficiently and collaborate
- Digital Services - transform the relationship between residents and the Council by providing online services so good that most people choose to use them and can do so unaided

2.4 The combined systems of telephony and contact centre must support the broader strategy for resident access and integrate both with each other and with other required Council systems and resident channels. The new telephony system must also enable new and flexible ways of working, including softphones and mobile phones.

**2.5 Current Position – rationale and drivers for change**

In an average 12-month period, the Council receives approximately 1,000,000- calls which are routed into the main Contact Centre, Revenues and Benefits along with other service-based contact centres such as Adults and Children’s Social Care and Parking.

2.6 There have been systems failures and operational difficulties caused by the age and lack of support for the current solution which have led to periodic outages resulting in loss of ability to make calls, loss of ability to receive calls, poor call quality, and connections being lost mid call.

Further details are set out in the following paragraphs.

**2.7 Telephony composition**

There are several components that make up the current telephony solution which is explained in the table below:

Component	Description	Notes
Call Manager platform supporting general telephony	Phone systems	In scope
Call Manager platform supporting the contact centre	Phone systems	In scope
Interactive Voice Recognition (IVR)	Call routing Interactive Voice recognition system that residents use to get through to the Croydon services. Main services through the contact centre, but there are also several ones like Revenues and Benefits	In scope
Verint	Call recording	In scope
Softtext	Call reporting	In scope
Gamma SIP trunks	Phone lines	Brought into scope during tender
Telephone call bundle charges for outbound calls	Out bound calls from the telephony system	Brought into scope during tender

**2.8 Operational risks caused by the existing telephony system**

The Council’s current telephony and contact centre system is old and does not allow for rapid changes to deal with business needs. Systems have grown organically over time to support immediate demands without a clear structured approach to the design.

2.9 In the last 12 months we have had 2421 incidents raised for the telephony system, the fix time for each has ranged from quick issues (up to 1 hour) to the larger ones (over a week) to resolve. This represents approx. 13 working days effort to resolve these issues - this is the minimum so does represent the overall effort.

2.10 The move for a majority of staff to home working because of COVID has caused major issues, from the inability for users to connect at all, to an ongoing issue with transferring calls to internal numbers, this has gone on for weeks, and there is no proper fix in place.



2.11 The existing system (Cisco Call Manager) has been in use for over 10 years; it is beyond the supplier's End of Life date (31 Dec 2018) and so is no longer supported by the manufacturer (CISCO). Hardware is difficult to replace and there are no longer any software support releases from Cisco. Whilst the system still functions this means that there is a business continuity risk should there be any issues. Support is provided by Capita as part of the outsourced IT services contract on a best endeavours basis with failures being difficult and time consuming to fix causing business impact on a regular basis.

The business continuity risk is exacerbated due to issues with system resilience. The existing systems are difficult and expensive to support and maintain; changes need to be made via requests to Capita which is not responsive to business needs. The lack of manufacturer support means that Capita cannot commit to SLAs for support.

2.12 The contact centre uses Interactive Voice Recognition (IVR) to route calls (e.g., for press 1 for service a, press 2 for service b, etc.), The system has capacity issues which result in new calls from residents not getting through to the contact centre or left hanging on the phone line. There is no self-management functionality available within in the current IVR. **This means Council officers do not have the ability to add, amend or delete messages a caller hears when phoning the Council.** The Services need to engage the current suppliers of the IVR (rather than being able to self-serve), to get these changes processed and this can take over three weeks. This is especially problematic when implementing any high priority or strategic messages (e.g. if the Services need to put an immediate message about new business hours due to COVID).

2.13 There are regular problems with voice quality. There is static on the line, crackling or no audio at all. Often no root cause can be identified, and so no resolution can be worked on. This is a regular occurrence and staff have to end the call and try to call the resident back.

#### **2.14 Consultation on a new telephony solution**

Prior to tendering, CDS conducted a consultation in summer/autumn 2020 with the contact centre(s), revenue & benefits, licencing, adults & children social care, enforcement and public safety. The consultation undertook a number (circa 25) of workshops with a sample of core / high telephony users from across the Council to provide a robust sample size to ascertain their opinions of the telephony systems currently in place, and how they would like to be able to operate in future.

### **3. Contract Providing for a Statutory Requirement**

3.1 Telephony remains the main point of contact for many vulnerable citizens accessing statutory services who are not digitally literate or have limited or no access to online services. . Without access to contacting the council by telephone, many residents would not be able to access services at all and many residents would require face-to-face appointments which is more expensive for the council to provide.

### **4. Financial implications**

#### **4.1 Essential Spend Criteria**

The requirement is considered to meet the essential spend criteria and has been approved by the Executive Director on 26<sup>th</sup> November 2020.

Note from the Chief Digital Officer: The need to replace our telephony system has been agreed already at ELT, is known to Cabinet following high-profile outages of the current technology, and corresponds to a high-rated risk on the corporate risk log (the current system is on life support, in extra time with a reluctant supplier, and unreliable). Capital budget has been allocated for the project, and future running costs are within CDS's revenue cash limit.

The expenditure meets the following essential spend criteria:

- Urgent expenditure required to safeguard vulnerable citizens:
  - Telephony remains the main point of contact for many vulnerable citizens who are not digitally literate or have limited or no access to online services. . Without access to contacting the council by telephone, many

residents would not be able to access services at all and many residents would require face-to-face appointments which is more expensive for the council to provide.

- Expenditure required to deliver the council's provision of essential statutory services at a minimum possible level:
  - the procurement of a new telephony, IVR and contact centre solution is essential expenditure as the current solution is end of life, out of support for upgrades and is running at high risk of failure. A functioning and adaptable telephony solution is essential for the day to day running of the council and for residents to access services. It is urgent and important that the current telephony systems are replaced so that the council can continue to function effectively.

4.2 A telephony budget exists to cover the following items:

Telephony maintenance and support for the existing contact centre and phone system  
SIP costs (voice calls)  
Landlines and connections.

4.3 There is an MTFS savings target of £150k from the gross budget for a net reduction in telephony expenditure by financial year 2022-2023.

4.4 Capital funds have been allocated for this procurement and for transition and implementation costs of the new telephony and call centre solution from the CDS capital programme. This capital budget shall fund resource, implementation, third party supplier and equipment costs.

Award of the contract will commit the council to up to 7 years contract charges.

Further financial details are set out in Part B

## 5. Supporting information

	Required Input	Details			
5.1	<p>Procurement Process followed: Incl. details of the competition, advertisement, tenders received and any clarifications or issues.</p>	<p>A further competition was conducted using the Crown Commercial Services Framework ref RM3808 Network Services Lot 5 IP Telephony.</p> <p>Expressions of interest were issued to the 37 suppliers on the framework Lot and the suppliers were invited to register with the London Tenders Portal if that had not already done so.</p> <p>Tenders were issued via the London Tenders portal to 36 suppliers who had either expressed an interest or who had not responded (in accordance with the framework terms of use).</p> <p>The tender was administered using the Council e-tendering solution.</p> <p>Tenders were returned electronically via the e-tendering portal.</p> <p>Questions from the SSQ template were used to form part of the tender documentation to ensure the following criteria were met: Exclusion grounds, suitability thresholds, economic and financial standing, technical and professional ability, Modern Slavery Act compliance, equality and diversity, London Living wage, Insurance.</p> <p>Method statements were required to evidence ability to meet the requirements. A target quality score was set for evaluation below which the Council reserved the right to decide not to award a contract to a bidder. There were mandatory requirements marked on a pass/fail basis ensure quality requirements were met.</p> <p>References were taken up and there was a process of clarifications and demonstrations carried out as part of the process to inform scoring.</p> <p>Overall evaluation ratios were 70% Price and 30% Quality in accordance with the approved Strategy.</p> <p><b><u>Price Evaluation</u></b></p> <p>The lowest bona fide Total Contract Value Tender price received the maximum price score of 70(%). Scores for other Tenderers are calculated on the following basis:</p> <p><i>The lowest submitted total price divided by a bidder's submitted total price multiplied by 70%</i></p> <p><b>Quality Scoring was based on the following:</b></p> <p>A weighting was applied to each Method Statement/requirement. Each Method Statement/requirement which is not pass/fail was scored by the evaluation panel awarding marks in a range of 0 to 5. A score of 3 or more was deemed fully compliant.</p> <table border="1" data-bbox="566 1825 1508 2016"> <tr> <td data-bbox="566 1825 694 2016">5</td> <td data-bbox="694 1825 909 2016">Excellent</td> <td data-bbox="909 1825 1508 2016">Exceeds the requirement. Exceptional demonstration by the Tenderer of their relevant understanding, skills, resource and quality measures provided in the method statement. Response identifies factors that demonstrate</td> </tr> </table>	5	Excellent	Exceeds the requirement. Exceptional demonstration by the Tenderer of their relevant understanding, skills, resource and quality measures provided in the method statement. Response identifies factors that demonstrate
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		added value, with evidence to support the response.
4	Good	Satisfies the requirement with minor additional benefits. Above average demonstration by the Tenderer of the relevant understanding, skills, resource and quality measures provided in the method statement. Response identifies factors that demonstrate added value, with evidence to support the response.
3	Acceptable	Satisfies the requirement. Demonstration by the Tenderer of the relevant understanding, skills, resource and quality measures provided in the method statement, with evidence to support the response.
2	Minor Reservations	Satisfies the requirement with minor reservations. Some minor reservations of the Tenderer's relevant understanding, skills, resource and quality measures provided in the method statement, with limited evidence to support the response.
1	Serious Reservations	Satisfies the requirement with serious reservations.  Serious reservations of the Tenderer's relevant understanding, skills, resource and quality measures provided in the method statement, with little or no evidence to support the response.
0	Unacceptable	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the Tenderer has the necessary understanding, skills, resource and quality measure, with little or no evidence to support the response.

Total weighted quality scores for each bidder were assigned a percentage against the % available for Quality.

Criteria	Percentage Weightings
	<i>(NB each quality criteria % is a % of the quality section, e.g 10% of the available 30%)</i>
Technical merit/functionality Aesthetic and functional characteristics ease of use	30 %
Social Value	10 %

Technical assistance/ Support and After sales service	23
Implementation/Mobilisation	35%
Early Payment Programme	2%
QUALITY TOTAL	Quality sub-total 100 = 30% of overall ratio
<i>Price Total</i>	<i>70%</i>
<i>TOTAL Quality + Price</i>	<i>100%</i>

**Total**

A combination of weighted quality scores and weighted price scores was used to identify the preferred bidder subject to attainment of a suitable quality target score and meeting the pass/fail requirements.

**The evaluation team**

An evaluation panel comprising officers from the contact centre service, Revenues and Benefits, supported by CDS, Finance, legal and procurement evaluated tenders.

5.2 Evaluation results: Incl. each providers scores in accordance with the published criteria. Winning providers VFM offer

19 suppliers did not bid.

10 suppliers declined with reasons including: not competitive, unable to meet requirements, insufficient resources, unable to meet some mandatory aspects of Council terms and conditions

9 bids were received and evaluated.

Overall scores are set out below. The recommended bidder is Bidder H

Bidder	Total Score
H	132.22
E	109.61
D	96.31
A	93.94
I	93.25
G	93.01
F	92.59
C	85.79
B	84.31

		<p><b>Features of the recommended bidder.</b></p> <p>A compliant bid was received. Terms and conditions were accepted as were the milestone payments proposed by the Council for the implementation charges.</p> <p>The tender passed all mandatory requirements.</p> <p>The tendered solution met all quality requirements.</p> <p>A social value offering.</p> <p>Commitment to the council early payment programme at the highest rebate level.</p> <p>The lowest price was tendered.</p> <p>More details are set out in Part B.</p>
5.3	Any compliance issues with PCR or TCR?	None
5.4	Contract Management: Please detail how this will be delivered and by who?	<p>The contract will be managed commercially, financially and operationally jointly within the CDS Business Operations and CDS Service Operations teams and managed overall by the Head of Digital Operations. There will also be representation from Gateway with the Contact Centre Manager a key stakeholder. Post transition, it is proposed monthly commercial and finance meetings for the first 3 – 6 months to build an effective supplier relationship and ensure effective and efficient processes are in place. Thereafter moving to quarterly commercial/finance reviews. Similarly, propose monthly operational meetings for first 3-6 months moving to quarterly if appropriate.</p> <p>A Service review meeting will be held post contract signature, this meeting will detail the following as part of the contract management plan:</p> <ul style="list-style-type: none"> <li>• Agreed set of KPI's and Service level agreements</li> <li>• Names of who will be managing the contract on the supplier's side.</li> <li>• Escalation process for failed KPI's, complaints, failed SLA's and breach of contract.</li> <li>• Create a strategy with the supplier to ensure the contract is managed effectively and detail ways to remedy performance issues before it is escalated.</li> <li>• Agreed quarterly review meetings with contract managers, finance and project managers if required.</li> <li>• MI data to be sent to Croydon's contract manager on a monthly basis, this will be reviewed during the contract review meetings.</li> <li>• Contract details to be added to the contract's tracker</li> <li>• Contract manager to ensure termination period is managed, including providing the relevant notice when required.</li> </ul> <p><b><u>Performance Monitoring</u></b></p> <p>Any new implementation will require detailed agreed project plans and milestones which will be payment related and built into the contract. A contract management plan will be implemented.</p> <p>For ongoing support, the contracts will incorporate regular performance review meetings with agreed escalation paths. The meetings will review performance against the service level regime established in the contract – covering such areas as: performance against contracted targets and service levels</p> <ul style="list-style-type: none"> <li>• Availability of the system,</li> <li>• System response and report times,</li> <li>• Incident resolution</li> <li>• User satisfaction</li> <li>• Service credits.</li> <li>• Social value deliverables</li> </ul>

5.5	<p>Risks: Incl. how they will be managed</p>	<p>A number of risks have been identified which will be managed by the service and programme leads who will ensure any mitigations are undertaken. A programme board will oversee the progress and status. A risk log will be maintained throughout the programme and for ensuing contracts.</p> <p>The main risk of not procuring a new telephony solution or of an extended time remaining on the current system are that faults and outages will continue and as the system ages the risk of major failure increases and Croydon residents will not be able to contact the Council by telephone.</p> <p>It is important to note that although the risk of a telephony failure will be mitigated by the implementation of a new solution, rushing the implementation is not recommended. Getting the right solution successfully implemented will avoid the need for future rectification works and additional associated costs. A total failure now could be addressed by using emergency procedures to implement a replacement contact centre, however this will duplicate the work needed to integrate with the back end desktop telephony when that is then replaced. The preferred approach is proceed with the procurement and although implementation may take longer than wished, – it can be phased to migrate key functions such as contact centre earlier. Market testing has shown that integrated solutions are now more readily available to allow for this approach.</p> <p>More risks are set out below:</p> <table border="1" data-bbox="470 896 1508 2069"> <thead> <tr> <th data-bbox="470 896 550 996">No.</th> <th data-bbox="550 896 853 996">Risk</th> <th data-bbox="853 896 1197 996">Potential impact</th> <th data-bbox="1197 896 1508 996">Controls / Commentary</th> </tr> </thead> <tbody> <tr> <td data-bbox="470 996 550 1310">1</td> <td data-bbox="550 996 853 1310">Resources – unable to provide staff for project or provide the time.</td> <td data-bbox="853 996 1197 1310">Project stalls – delivery of procurement programme fails and existing contract expires.</td> <td data-bbox="1197 996 1508 1310">e.g. Resource plan has been developed and agreed.  Funding is in place for resource to be dedicated to this project.</td> </tr> <tr> <td data-bbox="470 1310 550 1870">2.</td> <td data-bbox="550 1310 853 1870">Council CDS (ICT) Resource requirements.</td> <td data-bbox="853 1310 1197 1870">If requirements across the Council and providers resources are not aligned, delays in implementation will ensue.</td> <td data-bbox="1197 1310 1508 1870">Regular dialogue already established with CDS and regular meetings established to ensure co-ordination. Mitigation such as a short extension of up to 12 months can be agreed be negotiated to ensure continuity of service however we expect to be able to implement a new solution in time.</td> </tr> <tr> <td data-bbox="470 1870 550 2069">3.</td> <td data-bbox="550 1870 853 2069">Migration phase requires significant resource and skills expertise</td> <td data-bbox="853 1870 1197 2069">Information does not migrate over in a timely manner. Critical path timescales slip.</td> <td data-bbox="1197 1870 1508 2069">Ensure detailed mapping and migration plan completed by new supplier. Ensure migration is fully</td> </tr> </tbody> </table>	No.	Risk	Potential impact	Controls / Commentary	1	Resources – unable to provide staff for project or provide the time.	Project stalls – delivery of procurement programme fails and existing contract expires.	e.g. Resource plan has been developed and agreed.  Funding is in place for resource to be dedicated to this project.	2.	Council CDS (ICT) Resource requirements.	If requirements across the Council and providers resources are not aligned, delays in implementation will ensue.	Regular dialogue already established with CDS and regular meetings established to ensure co-ordination. Mitigation such as a short extension of up to 12 months can be agreed be negotiated to ensure continuity of service however we expect to be able to implement a new solution in time.	3.	Migration phase requires significant resource and skills expertise	Information does not migrate over in a timely manner. Critical path timescales slip.	Ensure detailed mapping and migration plan completed by new supplier. Ensure migration is fully
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			resourced to avoid slippage.
		4. The procurement exercise does not bring forward a suitable supplier.	Existing contract due to expire.  Market engagement was good, making sure opportunity tendered attracted suppliers  9 bids were received ensuring suitable competition.
		5. Procurement is challenged by unsuccessful bidders	Delays implementation past the contract expiry date or prevents the award of the new contract  A compliant tender and evaluation has taken place with the involvement of external legal advice.
		6. Successful bidder has resourcing issues	Implementation delayed past the contract expiry date  Council has evaluated bid and taken up references with other customers
		7. Data protection risks	This will conduct the way data is transferred the controls that need to be put in place.  Data processing issues are kept under review during the project. DPIA is under review now we have identified a recommended bidder and solution and will be updated . Contract and contract management to include compliance with the requirements of the DPIA and general requirements of GDPR.
		8 The procurement exercise results in tenders that are greater than budget available	This will result in a budget shortfall and inability to achieve MTFs savings for financial year 2022-2023.  Pricing evaluation 70% weighting used to ensure value for money. Affordable tender recommended.
5.6	Mobilisation plan How will it be managed?	Mobilisation and implementation approach was a requirement of the tender and obligations will be captured in the contract schedules.	
5.7	Decommissioning plans: How will they be managed between providers?	Exit provisions for the current solutions are within the current contract and include assistance to move to a new provider and obligations to dispose of equipment in accordance with WEEE directives.	



		<p>The new solution is cloud based and after preparatory work such as set up, configuration and data migration, there will be a single cutover from the old solution to the new solution which includes migration of connections and lines.</p> <p>Telephone numbers will not change.</p>
5.8	<p>TUPE: If applicable, how will it be managed?</p>	<p>TUPE does not apply</p>
5.9	<p>Interdependencies – If any: Incl. details of any arrangements i.e. Landlords, Consortiums, Assets connections and how they will be managed</p>	<p>There are technical interdependencies with the current telephony infrastructure which will be managed during the mobilisation period of the new solution and the transition and exit from the existing solution and supplier.</p> <p>There are no other identified interdependencies.</p>
5.10	<p>GDPR implications: Has an assessment been completed, do legal know to include in t&amp;cs?</p>	<p><i>Further information and support can be found at the link below:</i> <a href="https://intranet.croydon.gov.uk/resources/information-management/gdpr/gdpr-overview">https://intranet.croydon.gov.uk/resources/information-management/gdpr/gdpr-overview</a></p> <p><b><u>GDPR</u></b></p> <p>Compliance with GDPR was a mandatory requirement and also forms part of the contract terms.</p> <p><b><u>DPIA</u></b></p> <p>An initial DPIA has been drafted and sent Information Governance for their review. A revised DPIA will be submitted as part of the contract mobilisation.</p> <p>The bulk of the DPIA was completed before going out to tender to ensure that any stricter requirements for processing are accounted for in the tender documents &amp; contract); then once the provider has been selected the DPIA can be amended to name that provider and set out their specific measures for data security. It is not possible to carry out a complete DPIA until the tender identifies the preferred solution and a detailed assessment can be conducted.</p> <p>The contract requires the successful bidder complies with all data protection requirements and enter into a data processing agreement. A Data Privacy Impact Assessment will be carried out before contract signature.</p> <p>As soon as the final DPIA has been prepared this will be submitted to DPO for formal sign off when the solution is identified and before entering into any contract. Call recording for training purposes and in assessing complaints although not currently done will be introduced with the new solution and the DPIA will need to reflect that new requirement and usage.</p> <p>Privacy notices for the contact centre and the associated services are published on the council web site and may need to be amended to reflect the recording of calls.</p>

5.11	Equalities: Please confirm how the proposed contract will support the EQIA?	<p>The Equalities analysis has been completed and signed off by the Equalities Manager, Yvonne Okiyo on the 15/01/2021 and the Chief Digital Officer, Neil Williams on the 22/01/2021.</p> <p>In summary across all the protected characteristic groups the procurement is not expected to have a more positive impact on this group compared to other groups. To cavass the landscape for a new telephony system CDS undertook a number (circa 25) workshops from July to November 2020 with a sample of core / high telephony users from across the council to provide a robust sample size to ascertain their opinions of the telephony systems currently in place, and how they would like to be able to operate in future.</p> <p>User testing is part of the requirements – this will be covered once a supplier has been appointed and will be part of the on-boarding process before system go-live (this is particularly for individually with a disability such as hearing impairments).</p>
5.12	Social Value: Please confirm how the provider will deliver the 10%?	<p>Social value formed 10% of tender quality section weightings for evaluation. The tendered deliverables and outcomes will be built into contract obligations, and the performance monitoring framework for the contract.</p> <p>More details are included in Part B.</p>
5.13	London Living Wage (LLW): Please confirm the provider pays LLW?	<p>Bidders were required to confirm payment of LLW. The recommended bidder has confirmed in their tender response.</p>
5.14	Premier Supplier Scheme (PSP): Please confirm this is included in the requirements	<p>PSP was included in requirements. The recommended bidder confirmed they are willing to sign up to the scheme.</p>

## 6. Conclusion and reasons for recommendations

6.1 The report recommends the award of a contact to the preferred bidder following a competitive tender in compliance with the Council Tenders and Contract Regulations and Public Contract Regulations.

6.2 The preferred bidder is the lowest price, meets all mandatory and minimum requirements and financial checks and adds value with a social value offer which will benefit local residents providing the most economically advantageous tender.

## 7. Outcome and approvals

Outcome	Date agreed	
<i>Insert outcome of Board discussion</i>	Service Director <i>(to confirm Executive Director has approved the report)</i>	<i>9/11/21</i>
	Cabinet Member for Resources & Financial Governance	<i>Sent 9/11/21</i>
	Legal Sonia Likhari CCBReportsforlegal@croydon.gov.uk	<i>15.11.2021</i>
	Head of Finance	<i>18/11/21</i>

	Human Resources (if applicable)	<i>n/a</i>
	C&P Head of Service	<i>11/11/21</i>
	Lead Member <i>(for contract award over £500k)</i>	<i>25/11/21</i>
	Procurement Board	<i>CCB1710/21-22 – 25/11/21</i>

## 8. Legal considerations

*There are no additional legal considerations directly arising from the report*

Approved by Sonia Likhari on behalf of the Director of Law and Governance

## 9. Chief Finance Officer comments on the financial implications

*Approved*

Approved by [Matt Davis ] Interim Director of Finance

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**For General Release**

<b>DELEGATED DECISION REPORT TO :</b>	<b>Cllr Callton Young, Cabinet Member for Resources and Financial Governance</b>
<b>SUBJECT:</b>	<b>Property Disposals as part of the Interim Asset Disposal Strategy</b>
<b>LEAD OFFICER:</b>	<b>Richard Ennis, Interim Corporate Director Resources and S151 Officer</b>
<b>CABINET MEMBER:</b>	<b>Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal  Cllr Callton Young Cabinet Member for Resources and Financial Governance</b>
<b>WARDS:</b>	<b>Various</b>
<p><b>CORPORATE PRIORITY</b></p> <p>Croydon Renewal Plan – the recommendations in this report are in line with the new corporate priorities and new way for renewing Croydon Medium Term Financial Strategy</p>	
<p><b>FINANCIAL IMPACT</b></p> <p>This paper is seeking approval for the disposal of three Council assets in line with the Interim Asset Disposal Strategy. The proposal will deliver significant capital receipts. The disposals are part of the wider disposal strategy and will significantly contribute towards the assets disposal target in the MTFS.</p> <p>All disposal costs, including a contribution towards officer time will be paid for out of capital receipts in line with the current financial guidelines which allow up to 4% of the capital receipt to be allocated against reasonable revenue costs in achieving the sales.</p>	
<p><b>FORWARD PLAN KEY DECISION REFERENCE NO.: Glazier House (2521 RFG), TAVR Centre (2721 RFG) and Drayton Road (3021 RFG)</b></p> <p>The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.</p>	
<p>The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below</p> <p><b>1. RECOMMENDATIONS</b></p> <p>Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following:</p> <p>1.1 Approve the freehold disposal of Glazier House, 53 Birdhurst Road, South Croydon CR2 7EF</p>	

- 1.2 Approve the freehold disposal of the former Territorial Army Volunteer Reserve (TAVR) building Monks Hill
- 1.3 Approve the freehold disposal of the former Social Club at Drayton Road, Croydon
- 1.4 Approval to a downward price variation of up to a maximum of 10% for each disposal without having to refer the matter back to Cabinet to allow for some minor value changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Interim Corporate Director Resources and s151 Officer

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

## **2. EXECUTIVE SUMMARY**

- 2.1 This Interim Disposal Strategy has been developed to support the requirements of the Croydon Renewal Plan and Medium Term Financial Strategy [MTFS] and sets out the guidance and governance necessary to allow the disposal of surplus Council assets. The strategy was approved and adopted by Cabinet in February 2021.
- 2.2 The properties included within this report have been identified as surplus within the context of the disposal strategy and were included in the initial 2021/22 tranche within the Strategy.
- 2.3 The above proposals have followed the governance process as set out within the strategy and has been approved by Place DLT and ELT.
- 2.4 The approved business cases are attached as a background paper in the Part B report

## **3. BACKGROUND**

- 3.1 Given the significant financial challenges faced by the Council, it is important to ensure that the best outcome is achieved from any disposal and this includes
  - Holding cost of any surplus assets if to be retained for longer term use or sale
  - Running costs for under-utilised assets and how these can be reduced
  - Service requirements across the Council to ensure an asset is not being sold off if it could provide a cost effective solution for another service area
  - Achieving “Best Consideration” – would delaying a disposal be more beneficial
  - Loss of revenue from any income producing assets
  - Impact on the local area from holding assets empty for prolonged periods or the additional benefit from regeneration
  - Reputational issues from having vacant assets



3.2 The disposals included within this report fall within the following categories :

- Surplus assets released by service area
- Vacant Properties

3.3 It has been recommended that a variance of up to 10% on the initial agreed purchase price is permitted before any disposal needs to be referred back to cabinet. For many of the smaller disposals, the parties making the offers may not carry out as much due diligence around the legal title or site limitations as for larger sites where bidders have access to better professional advice. It may therefore be the case that matters become apparent during the legal process that could impact on the value of the site. On the basis that such conditions are likely to impact the general value of the site, it is considered realistic to look at the financial impact and agree a lower figure as may be necessary. Such a reduction will only be considered where it impacts the general value of the asset rather than for the specific user unless even with any agreed reduction the preferred bidder still clearly offers the most favourable option in terms of securing best consideration for the asset disposal and would therefore not be in breach of the requirements of s123 of the Local Government Act 1972

#### **4. DETAIL**

4.1 SHW have been selected to market all the smaller disposal sites following a tender exercise run through the Buying Team. An initial marketing report was received for each site with a recommendation as to the best marketing option and approach. All assets are initially being considered for sale on an unconditional basis.

4.2 Where assets have less straightforward use or development options, further advice has been obtained from the planners to provide some guidance to prospective purchasers as to what may be possible to try and maximise value. If offers received suggest a much higher value could be achieved if planning consent were to be obtained then conditional offers, with time limits may be considered.

4.3 All properties have been independently valued and fully marketed to be able to demonstrate that best consideration has been achieved through this process. The individual business cases are appended to the Part B report together with the independent valuations. Part of the marketing process has involved direct mailing of details to the main umbrella VCS groups including the CVA, Asian Women's Group, BME Forum and CNCA but no direct offers have been received through any of these groups.

4.4 As part of the decision to market the assets now, consideration has been given as to whether this is the correct time to sell them in order to obtain best value. Whilst it is clear that the sale of assets is required to help meet the demands of the Council's current financial requirements to support the MTFs and under the

capitalisation directive, it must be demonstrated that this will not reasonably impact on obtaining best consideration for them.

- 4.5 Detailed consideration has therefore been given to the current market conditions for both residential development and disposals within the Community use sector. In respect of residential sites, the demand for good development opportunities remains high as house prices and rental levels within the private sector have continued to grow. Over the next five years the average house prices are expected to increase by 21.6% although the increases are predicted to tail off over years 3-5, especially within the south east, with the highest increases being predicted for this year.
- 4.6 The market is also witnessing large increases in building material and labour costs as a result of shortage of supply due to the impact of the Pandemic and Brexit and an increase in demand. Material prices rose by 5.6% in the year to Q1 2021 and are forecast to increase by 7.2% in the year to Q2 2021, according to BCIS Materials Cost Index. Despite the current strength of the residential market, cost inflation will continue to impact the sector, especially as increasing costs to meet building regulations under the Future Homes Standard come into effect from 2022 and pressures on better design are introduced under the National Model Design Code.
- 4.7 Given the combined impact of the increase in residential values being offset by the considerable increase in build costs and tender prices it is unlikely that any significant change in overall market values for residential developments will occur over the next few years.
- 4.8 The marketing of the community assets has demonstrated that there is a very keen interest in such opportunities within the community, and in particular the faith sector for larger venues as these are generally in short supply. Such demand has led to a good level of interest which has helped secure high levels of offers that have exceeded the professional valuations. This sector of the market is likely to be less influenced by wider market activity as it is more demand driven.
- 4.9 Based on the above it is considered that a disposal at this time will not unduly undervalue the assets and will have the additional benefit of delivering new uses to help improve and support local communities and deliver savings in the Council's holding costs for the assets.

## **5.0 ASSET DISPOSALS**

### **5.1 Glazier House**

- 5.1.1 This property was previously used by Family Solutions Service and Early Help for support and consultation with families. Following a re-organisation of the service area, there was a requirement for a larger premises and as a result alternative premises were identified and they have now relocated to a new hub facility at 1/3 Overbury Crescent, New Addington. No other service area has identified a need for the space and therefore the property has now been declared surplus. The property was also been used on a part time basis by the

National Autism Service but following discussion they have agreed to vacate and the site is now fully vacant. Information management have cleared the building and confirmed that it is clear of all documents. The National Autism service has in part relocated their service provision to offices in Mansfield House, Croydon as well as increasing their on-line service provision.

- 5.1.2 The property is a substantial two storey late Victorian house with additional accommodation in the roof space. It is located within a good residential area where a number of similar properties have been converted to provide flatted accommodation. The property is in a local heritage area but not listed and sits within a slightly awkward shaped plot being on the corner of two roads. The majority of the land is to the front and side of the house which provides opportunity for parking rather than secluded garden space.
- 5.1.3 The property has been fully marketed by SHW who have inspected the site and produced a full set of marketing particulars and set up a data site with basic information regarding the property. The particulars were distributed initially through their mailing list of residential developers and community occupiers on the 8th September 2021. They were subsequently resent on the 27th September 2021 and lastly 6th October 2021 with details of the tender deadline date. In total 27 parties accessed the data room to view and download related documents. Seven separate viewing dates were set up at the property and 30 parties attended the viewings. Best and final offers were then invited by 12pm Friday 15th October 2021. This resulted in 14 offers and the top 3 bids have been detailed in the Part B section of the paper.

## **5.2 TAVR Broadcoombe**

- 5.2.1 The TAVR centre was vacated by the Cadet Group in August 2020 and following vacation has been used as a Covid testing and more recently a Covid storage site under a short term licence agreement. This runs until 31 March 2022 but can be terminated earlier if required. The site has not been identified for any requirement within the Council and has therefore been declared surplus in line with the Interim Disposal Strategy.
- 5.2.2 The site is located on Broadcoombe overlooking the rear of a secondary school and adjacent to the Irish Club. The site is of a good size (0.068ha) and regular in shape and comprises of 6 portakabins which are in reasonable condition and internally provide a large open area with ancillary office, kitchen and toilet facilities. There is a secure yard surrounding the building. The existing use will fall within Class F and will be treated as a community asset and therefore potential alternative uses or development options may be limited initially unless a lack of demand can be proved.
- 5.2.3 SHW commenced the marketing of the site in August and distributed particulars initially through their mailing list of residential developers and F1 (Community) use occupiers on the 8th September 2021. They were subsequently resent on the 27th September 2021 and most recently on 6th October 2021 to advertise the tender deadline date. A number of viewing dates were set up at the property and 10 parties attended the viewings. Best and final bids were then requested by 12pm Monday 18th October 2021. A total of 6 offers were received. The 3 highest offers have been detailed in Part

B of this report.

### **5.3 Former Social Club Drayton Road**

- 5.3.1 This property has been vacant for at least 10 years and is a poor quality building that was last used as a municipal social Club and will therefore have a community use. It is located immediately to the rear of a former school building that has recently been let under a long lease and converted into a community hub. The site was considered by Brick by Brick for residential development but following initial investigations was not taken forward.
- 5.3.2 The building is a single storey concrete framed building sited on a long narrow plot, part of which has a right of way shared with the adjoining community building and to provide access to a sub-station to the rear of the site. The site is approximately 0.065ha and is located in the Old Town Conservation area.
- 5.3.3 SHW commenced the marketing of the site through the distribution of particulars to their mailing list of residential developers and F1 use occupiers on the 29th September 2021. They subsequently resent details on the 20th October 2021 including details of the tender deadline date. 3 parties viewed and downloaded the documents within the data room and all carried out viewings. Best bids were invited by 12pm Friday 29th October 2021 and all 3 parties submitted a bid. Details of the bids are included in the part B section of the report.

## **6. CONSULTATION**

- 6.1 No external consultation has taken place with local residents or groups
- 6.2 Ward councilors have been informed of the intention to dispose of these assets. Consultation has taken place with the Council's senior leadership team and Cabinet Members.

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

- 7.1 The proposed disposal has not been presented to Scrutiny but recommendations made from earlier disposals have been incorporated where appropriate

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

### **8.1 Revenue and Capital consequences of report recommendations** Savings and Capital Receipts Included within the MTFS Budgets

Capital receipts generated from asset disposals (£000)

	21/22	22/23	23/24
Capital receipts	£4,230	£19,994	£5,988

- 8.1.1 Given the significant financial challenges faced by the Council, the disposal of

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

- 8.1.2 We are required to pay for the costs of the capitalisation directions out of revenue budgets over a twenty year period, which on a straight line basis would cost 5% per year. In addition interest on those borrowings from the PWLB is at a 1% premium – at current rates this costs this would add 2.9%. Overall this would equate to £790k per £10m borrowed. By generating capital receipts, borrowing to support the capitalisation direction can be avoided and thus prevent pressures on revenue budgets.
- 8.1.3 There has been no additional capital expenditure involved as part of this disposal process as the work to allow the relocation out of Glazier House had already been undertaken. The running costs of these properties i.e. business rates, premises costs (cleaning, security, utilities etc) will further benefit the Council
- 8.1.4 The decision to dispose of an asset will consider the need to receive the benefits now, against a possible delayed sale when the financial benefit may be greater but less certain as usually this is dependent on obtaining suitable planning consent.

## **8.2 Risks**

- 8.2.1 Disposal of properties in the corporate portfolio in the current economic climate gives rise to risks and uncertainties around achieving the best possible sale price. The capital receipts in the table above reflects an element of prudence and conservatism in the receipts of disposal and its timing. However, it must be emphasised that these asset values are subject detailed market valuations and market conditions prevailing at the time of sale.
- 8.2.2 The marketing exercise has generally demonstrated that there is still very good demand for this type of asset from both developers and community organisations and the values achieved have exceeded the valuations in all cases. This would suggest that the disposal of these assets at this point in time has secured best consideration.

## **8.3 Future savings/efficiencies**

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

Approved by Matt Davis Interim Deputy s151 Officer

## **9. LEGAL CONSIDERATIONS**

- 9.1 The Interim Head of Commercial and Property Law comments on behalf of the Interim Director of Law & Governance that, as set out earlier in this report,

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

- 9.2 Land should only be disposed of by a local authority where it is considered to be surplus to the Council's requirements. The process set out in the Interim Disposal seeks to ensure that consideration is given as to potential other Council uses of land before it is recommended for disposal.

Nigel Channer, Interim Head of Commercial and Property Law on behalf of the Interim Director of Law and Governance & Deputy Monitoring Officer

## 10. HUMAN RESOURCES IMPACT

- 10.1 The proposed disposal is for a vacant property or where relocations have already taken place and therefore has no direct impact on staffing levels, restructuring or recruitment.

Approved by: Gillian Bevan Head of HR Resources

## 11. EQUALITIES IMPACT

- 11.1 Under the Equality Act 2010 the Council has an obligation to protect **people against discrimination, harassment or victimisation in employment**, and as users of private and public services based on nine protected characteristics: The proposed disposal comprises of vacant land and buildings or assets that have been vacated by services and declared surplus and therefore the disposal will not have a direct impact individual's rights. The closure of the Early Help facility at Birdhurst has been as a result of their requirement for larger premises, which their relocation to New Addington has provided. The new building will allow a wider range of services to be provided and the location allows better accessibility for a large section of their clients based in New Addington.
- 11.2 An equalities impact assessment has been undertaken for these asset disposals collectively, and the action being taken to offset the impact on affected protected groups is noted.

Approved by: Denise McCausland Equality Programme Manager

## **12. ENVIRONMENTAL IMPACT**

- 12.1 The proposed disposals do not have any direct environmental impact. Any development that may take place on the disposed sites will have to be in full compliance with current planning, building and environmental legislation.

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

- 13.1 The disposal of the vacant site and redundant buildings will help to improve antisocial behavior and crime that has been evident around this site as it will become an active site.

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

- 14.1 The assets are all surplus to current Council requirements and if retained are therefore likely to remain empty which will lead to increased revenue pressures to ensure they are properly secured and through the payment of Business Rates as they will only be eligible for a 3 month rate free period.
- 14.2 Holding vacant assets also has a detrimental impact on the surrounding area and can become a magnet for antisocial behaviour and fly-tipping. Consideration has been given to letting rather than disposing of the assets but all are likely to deliver fairly low levels of rental income and are unlikely to attract tenants that would allow subsequent sales at beneficial yields and therefore this is not an attractive option.
- 14.3 The disposals will help to secure a significant capital contribution and annual revenue saving and will help to meet the requirements set out in the MTFS.
- 14.4 In addition to the financial benefits the disposals will help to deliver wider social benefits through delivering new community organisations or housing within the local areas.

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

- 15.1 The disposal of these assets is in line with the process set out in the Interim Property Strategy and the sites have already been included within the proposed disposal lists for 2021/22. They are all surplus as no alternative Council use has been identified and therefore disposal is the best option. Failure to do so would not help the Council to address the immediate financial position and the requirements of the MTFS.
- 15.2 The only other options are to either let the properties to generate income or look to sell in the future or hold the asset and try and gain planning consent for a more beneficial use. In respect of the former it is not considered that this will maximise their value. Regarding the option to try and gain a higher value through obtaining planning consent for an alternative use, this is considered

unlikely for the 2 community assets as the marketing has demonstrated a very clear demand from community organisations and at realistic values. There would also be a requirement to market the assets for a period of up to 18 months to demonstrate a lack of demand for the asset from community groups. The offers received for Glazier House already demonstrate a value that reflects the potential conversion into flats and therefore the delay and cost of obtaining planning consent is not considered to be worthwhile.

15.3 The disposal of the sites is therefore recommended

## **16. DATA PROTECTION IMPLICATIONS**

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

NO

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

NO

Approved by: Steve Wingrave Head of Asset Management and Estates

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**CONTACT OFFICER:**

Steve Wingrave  
Head of Asset Management and  
Estates ext 61512.

**APPENDICES TO THIS REPORT:**

Equalities assessment

**BACKGROUND DOCUMENTS:**

Location Plans for:

- Glazier House
- TAVR Centre
- Drayton Road



## 1. Introduction

### 1.1 Purpose of Equality Analysis

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

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

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

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

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

## 2. Proposed change

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

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

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

## 3. Impact of the proposed change

**Important Note:** It is necessary to determine how each of the protected groups could be impacted by the proposed change. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments <http://www.croydonobservatory.org/>. Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

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

**Table 1 – Additional information needed to determine impact of proposed change**

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table.

Additional information needed	Information source	Date for completion
The proposed Disposals for vacant premises will not impact the delivery of services by the Council as they have all been declared surplus to requirements or are non-operational properties and many have been vacant for some time. Those that have been previously used to deliver services (Glazier House) have ensured continued service delivery through relocation to more suitable properties. The disposal of the other two properties involve vacant sites which have no impact on service delivery. In respect of Glazier House the service have relocated to newly refurbished space at Overbury Crescent in New Addington. This provides better facilities and is better located for a large number of their client base.	Asset Management/CMT	November 2021

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

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

**Table 2 – Positive/Negative impact**

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

Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises. In the case of the new Family Centre at Overbury Crescent this provides level access to a larger number of facilities than the previous site.	<b>None</b>	<b>Asset Management Team</b>
Disability	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises. In the case of the new Family Centre at Overbury Crescent this provides level access to a larger number of facilities than the previous site.	<b>None</b>	<b>As above</b>
Gender	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>
Gender Reassignment	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>
Marriage or Civil Partnership	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared	<b>None</b>	<b>As above.</b>

	surplus or the services are continuing from alternative premises.		
Religion or belief	. The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>
Race	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>
Sexual Orientation	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>
Pregnancy or Maternity	The proposed changes will not impact any protected characteristic group as either the buildings are vacant and have been declared surplus or the services are continuing from alternative premises.	<b>None</b>	<b>As above.</b>

**Important note:** You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts.

When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics.

### 3.3 Impact scores

#### Example

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

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

Table 4 – Equality Impact Score

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

#### Key

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

**Table 5 – Impact scores**

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

## 4. Statutory duties

### 4.1 Public Sector Duties

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

Advancing equality of opportunity between people who belong to protected groups

Eliminating unlawful discrimination, harassment and victimisation

Fostering good relations between people who belong to protected characteristic groups

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

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

**Table 5 – Action Plan to mitigate negative impacts**

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.

Protected characteristic	Negative impact	Mitigating action(s)	Action owner	Date for completion
Disability	No Negative Impact			
Race	No Negative Impact			
Sex (gender)	No Negative Impact			
Gender reassignment	No Negative Impact			
Sexual orientation	No Negative Impact			
Age	No Negative Impact			
Religion or belief	No Negative Impact			
Pregnancy or maternity	No Negative Impact			
Marriage/civil partnership	No Negative Impact			

## 6. Decision on the proposed change

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

Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. <b>If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</b></p> <p>The proposed disposals will not significantly change the current provision and delivery of services. The Family services provided from the former Glazier House will be re-provided within the newly refurbished premises at Overbury Crescent. The move was in part required as the service required larger accommodation. The new accommodation is also located closer to many service users. The other two sites are vacant and their sale will not only secure capital receipts but also help improve the local area and may help provide new facilities to the local and wider area.</p>	x
Adjust the proposed change	<p>We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to take action to ensure these opportunities are realised. <b>If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</b></p>	
Continue the proposed change	<p>We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. <b>If you reach this conclusion, you should clearly set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.</b></p>	
Stop or amend the proposed change	<p>Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.</p>	

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## Equality Analysis

Will this decision be considered at a scheduled meeting? e.g. Contracts and Commissioning Board (CCB) / Cabinet <b>Yes.</b>	Meeting title: Cabinet Date: <b>6 December 2021</b>
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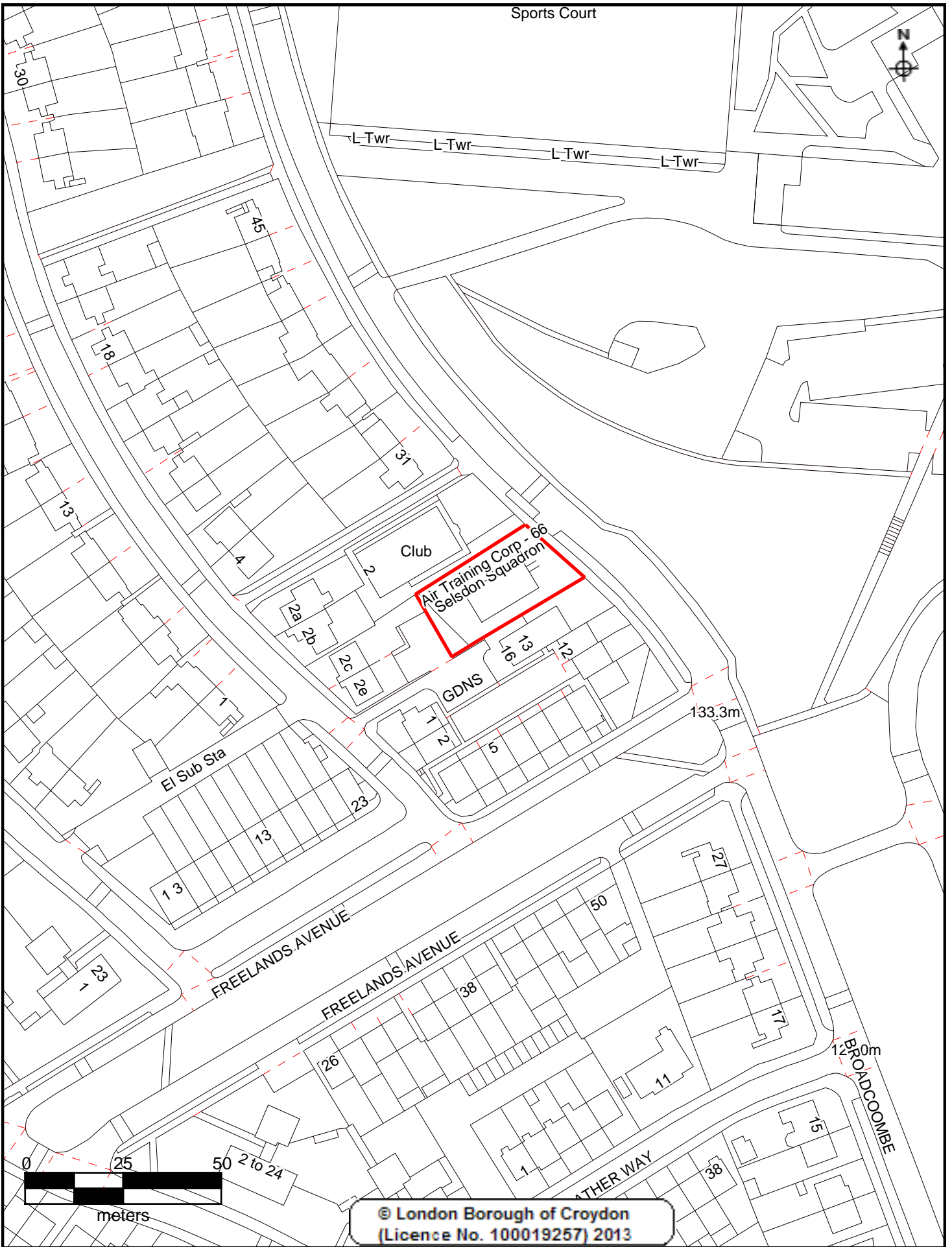
### 7. Sign-Off

<b>Officers that must approve this decision</b>		
<b>Equality lead</b>	<b>Name: Denise McCausland</b>	<b>Date: 18 November 2021</b>
	<b>Position: On behalf of Director for Policy &amp; Partnerships</b>	
<b>Director</b>	<b>Name: Peter Mitchell</b>	<b>Date: 24 November 2021</b>
	<b>Position: Interim Director of Commercial Investment and Capital</b>	

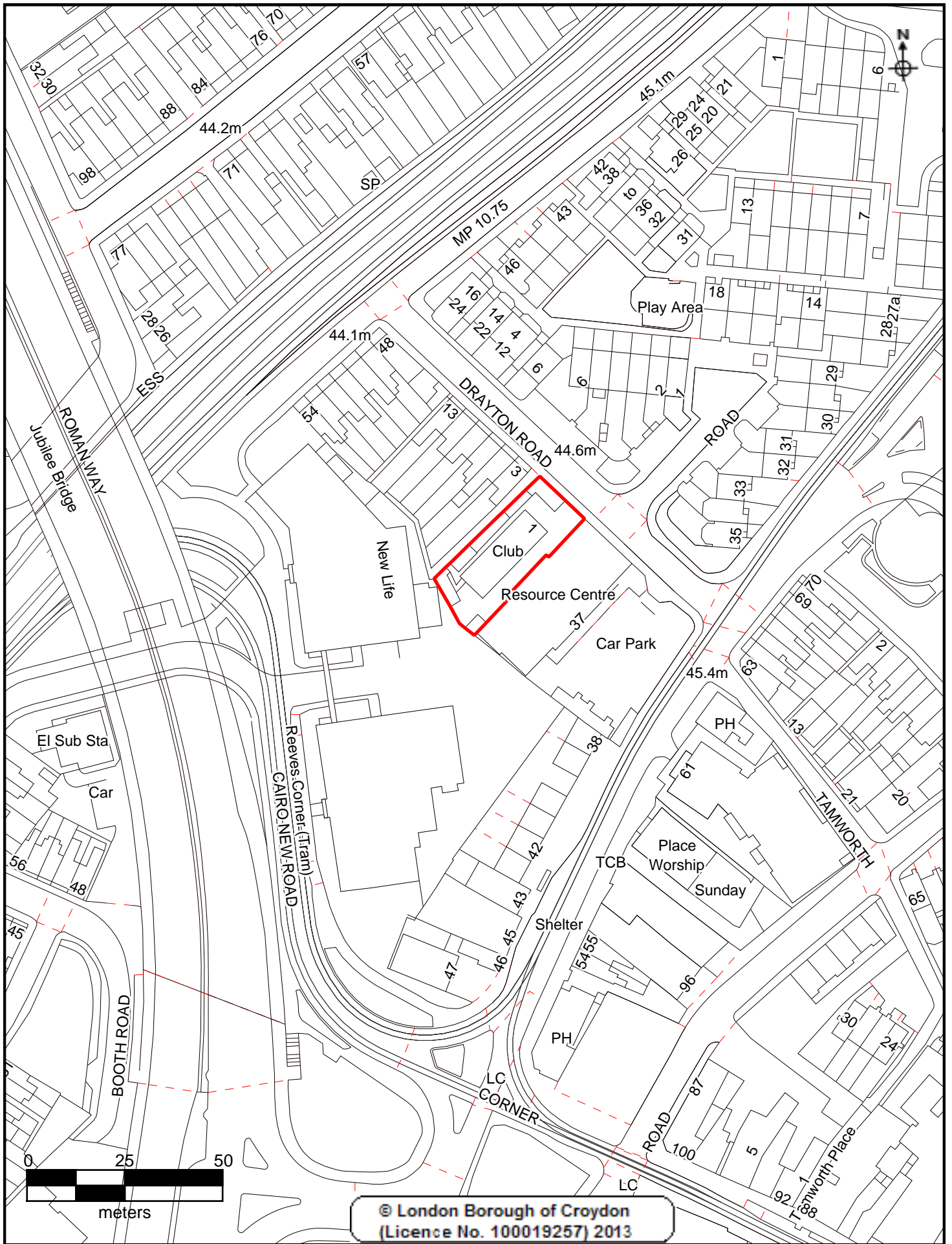
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