

LONDON BOROUGH OF CROYDON

To: All Members of Council
Croydon Council website
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PUBLIC NOTICE OF KEY DECISIONS MADE BY CABINET MEMBER FOR RESOURCES AND FINANCIAL GOVERNANCE ON 06 APRIL 2022

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

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

The following apply to the decision below:

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

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

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

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

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

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

Key Decision No: 1322RFG

Details of decision:

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

RESOLVED: To

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

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

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

Signed: Interim Monitoring Officer

Notice Date: 06 April 2022

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

Scrutiny Referral/Call-in Procedure

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

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

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

Signed: Interim Monitoring Officer

Notice Date: 06 April 2022

Contact Officers: michelle.gerning@croydon.gov.uk and colin.sweeney@croydon.gov.uk

PROFORMA

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

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

Michelle.Gerning@croydon.gov.uk and Colin.Sweeney@croydon.gov.uk

Meeting:

Meeting Date:

Agenda Item No:

Reasons for referral:

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

The outcome desired:

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

Signed:

Date:

Member of _____ Committee

For General Release

| | |
|---|---|
| DELEGATED DECISION REPORT TO : | Cllr Callton Young, Cabinet Member for Resources and Financial Governance |
| SUBJECT: | Property Disposals as part of the Interim Asset Disposal Strategy |
| LEAD OFFICER: | Jane West, Corporate Director Resources and S151 Officer |
| CABINET MEMBER: | Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal Cllr Callton Young Cabinet Member for Resources and Financial Governance |
| WARDS: | New Addington South |
| COUNCIL PRIORITIES 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 | |
| FINANCIAL IMPACT This paper is seeking approval for the disposal of two Council assets in line with the Interim Asset Disposal Strategy. The proposal will deliver further capital receipts. The disposals are part of the wider disposal strategy and will significantly contribute towards the assets disposal target in the MTFs. 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. | |
| FORWARD PLAN KEY DECISION REFERENCE NO.: 1322RFG (Community Centre) and 1522RFG (90 Central Parade)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. | |
| 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 1. RECOMMENDATIONS Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following: 1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington | |

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

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

2. EXECUTIVE SUMMARY

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

3. BACKGROUND

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

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

4. DETAIL

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

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

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

5. ASSET DISPOSALS

5.1 Addington Community Centre

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

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

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

5.2 90 Central Parade

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

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

6. CONSULTATION

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

7. PRE-DECISION SCRUTINY

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

8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

8.1 Revenue and Capital consequences of report recommendations

Savings and Capital Receipts Included within the MTFS Budgets

Capital receipts generated from asset disposals (£000)

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

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

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

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

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

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

8.2 Risks

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

8.3 Future savings/efficiencies

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

Approved by Matt Davis Interim Deputy s151 Officer

9. LEGAL CONSIDERATIONS

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

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

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

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

10. HUMAN RESOURCES IMPACT

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

Approved by: Gillian Bevan Head of HR Resources

11. EQUALITIES IMPACT

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

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

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

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

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

Approved by: Denise McCausland Equality Programme Manager

12. ENVIRONMENTAL IMPACT

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

13. CRIME AND DISORDER REDUCTION IMPACT

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

14. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

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

15. OPTIONS CONSIDERED AND REJECTED

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

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

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

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

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

16. DATA PROTECTION IMPLICATIONS

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

NO

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

NO

Approved by: Steve Wingrave Head of Asset Management and Estates

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

APPENDICES TO THIS REPORT: Equalities assessment

BACKGROUND DOCUMENTS: Location Plan for the combined site

1. Introduction

1.1 Purpose of Equality Analysis

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

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

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

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

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

2. Proposed change

| | |
|---|--|
| Directorate | Resources |
| Title of proposed change | Property Disposals as part of the Interim Asset Disposal Strategy |
| Name of Officer carrying out Equality Analysis | Steve Wingrave |

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

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

3. Impact of the proposed change

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

3.1 Additional information needed to determine impact of proposed change

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

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

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

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

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

3.2 Deciding whether the potential impact is positive or negative

Table 2 – Positive/Negative impact

| <p>For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. . If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgment where possible.</p> | | | |
|---|---|-----------------|---|
| Protected characteristic group(s) | Positive impact | Negative impact | Source of evidence |
| Age | The proposed changes will not impact any protected characteristic group as the main provision for community services out of the ACC had already ceased and can be | None | Use of the two new community facilities at New Addington Leisure Centre and Fieldway Centre has demonstrated |

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

| | | | |
|---|---|-------------|------------------|
| Pregnancy or Maternity | The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above. | None | As above. |
| <p>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.</p> <p>When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics.</p> | | | |

3.3 Impact scores

Example

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

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

Table 4 – Equality Impact Score

| | | | | |
|---------------------------|-----------------------------|---|---|---|
| Severity of Impact | 3 | 3 | 6 | 9 |
| | 2 | 2 | 4 | 6 |
| | 1 | 1 | 2 | 3 |
| | | 1 | 2 | 3 |
| | Likelihood of Impact | | | |

Key

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

Equality Analysis

Table 5 – Impact scores

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

4. Statutory duties

4.1 Public Sector Duties

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

Advancing equality of opportunity between people who belong to protected groups

Eliminating unlawful discrimination, harassment and victimisation

Fostering good relations between people who belong to protected characteristic groups

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

5. Action Plan to mitigate negative impacts of proposed change

Table 5 – Action Plan to mitigate negative impacts

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

| Protected characteristic | Negative impact | Mitigating action(s) | Action owner | Date for completion |
|--------------------------|--------------------|----------------------|--------------|---------------------|
| Disability | No Negative Impact | | | |
| Race | No Negative Impact | | | |
| Sex (gender) | No Negative Impact | | | |
| Gender reassignment | No Negative Impact | | | |
| Sexual orientation | No Negative Impact | | | |

Equality Analysis

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

6. Decision on the proposed change

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

| Decision | Definition | Conclusion - Mark 'X' below |
|------------------------------|--|-----------------------------|
| No major change | <p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</p> <p>The proposed disposal will not significantly change the current provision and delivery of services. Although the sale of the ACC will reduce the availability of cheaper space for community groups, the new space at the Leisure Centre and Fieldway Centre provides more modern and better facilities which will help mitigate the impact. The relocation of the office based teams is not considered to impact any groups with protected characteristics. The sale is conditional on the provision of a new health centre and therefore the provision of this new asset is likely to improve facilities for a number of groups with protected characteristics as it will provide new facilities and more accessible accommodation</p> | x |
| Adjust the proposed change | <p>We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to take action to ensure these opportunities are realised. If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</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. 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.</p> | |

Equality Analysis

| | | |
|--|---|--|
| Stop or amend the proposed change | Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended. | |
| Will this decision be considered at a scheduled meeting? eg. Contracts and Commissioning Board (CCB) / Cabinet Yes. | Meeting title: Cabinet Date: 21 March 2022 | |

7. Sign-Off

| | | |
|---|--|---------------------------|
| Officers that must approve this decision | | |
| Equality lead | Name: Denise McCausland | Date: |
| | Position: On behalf of Director for Policy & Partnerships | |
| Director | Name: Peter Mitchell | Date: 9 March 2022 |
| | Position: Director of Commercial Investment and Capital | |

