

Crawley Borough Council

Cabinet

Agenda for the **Cabinet** which will be held in **Committee Rooms A & B**,
Town Hall, Crawley, on **Wednesday 8 February 2017** at **7.30pm**

**PLEASE BRING THE CABINET/OSC REPORTS BOOKLET TO THIS
MEETING**

Nightline Telephone No. 07881 500 227



Head of Legal and Democratic Services

Membership:

Councillor	P K Lamb	(Chair of Cabinet and Leader of the Council)
	S J Joyce	(Deputy Leader of the Council and Cabinet Member for Housing)
	M G Jones	(Cabinet Member for Public Protection and Community Engagement)
	C J Mullins	(Cabinet Member for Wellbeing)
	A C Skudder	(Cabinet Member for Resources)
	P Smith	(Cabinet Member for Planning and Economic Development)
	G Thomas	(Cabinet Member for Environmental Services and Sustainability)

Please contact Chris Pedlow (Legal and Democratic Services Division) if you have any queries regarding this agenda.

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Published: 27 January 2017

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Part A Business – (Open to the Public)

1. Apologies for Absence

2. Members' Disclosures of Interest

In accordance with the Council's Code of Conduct, members of the Council are reminded that it is a requirement to declare interests where appropriate.

3. Minutes

To approve as a correct record the minutes of the Cabinet held on 30 November 2016 **(Enclosure A)**.

4. Public Question Time

To answer any questions asked by the public which are relevant to the functions of the Cabinet.

Public Question Time will be concluded by the Chair when all questions have been answered or on the expiry of a period of 15 minutes, whichever is the earlier.

5. Further Notice of Intention to Conduct Business in Private and Notifications of any Representations

The Monitoring Officer will report on any responses to representations received in relation to why items 15, 16 and 17: *Crawley Town Hall, Leasehold Insurance Tender Appraisal and Construction Consultancy Services Partnering Contract* should not be held in Part B Business – (Closed to the Public).

6. Matters referred to the Cabinet

To consider any matters referred to the Cabinet (whether by a scrutiny committee or by the Council) for reconsideration in accordance with the provisions contained in the Scrutiny Procedure Rules, the Budget Procedure Rules and the Policy Framework Procedure Rules set out in Part 4 of the Council's Constitution.

7. Report from the Chair of the Overview and Scrutiny Commission

To receive a report from the Chair of the Overview and Scrutiny Commission on matters relating to Cabinet business considered by the Commission.

8. 2017/18 Budget and Council Tax The Leader's Portfolio

To consider Report FIN/401 of the Head of Finance, Revenues and Benefits, which was referred to the meeting of the Overview and Scrutiny Commission held on 6 February 2017. This is **Enclosure 1** in the OSC/Cabinet joint reports booklet for this meeting.

**9. Treasury Management Strategy 2017/2018
The Leader's Portfolio**

To consider Report FIN/404 of the Head of Finance, Revenues and Benefits, which was referred to the meeting of the Overview and Scrutiny Commission held on 6 February 2017. This is **Enclosure 2** in the OSC/Cabinet joint reports booklet for this meeting.

**10. Safeguarding Children, Young People and Adults at Risk Policy 2017
Public Protection and Community Engagement Portfolio**

To consider Report HCS/03 of the Head of Community Services which was referred to the meeting of the Overview and Scrutiny Commission held on 6 February 2017. This is **Enclosure 3** in the OSC/Cabinet joint reports booklet for this meeting.

**11. 2016/2017 Budget Monitoring - Quarter 3
The Leader's Portfolio**

To consider Report FIN/403 of the Head of Finance, Revenues and Benefits. This is **Enclosure B**.

**12. Crawley Borough Council Statement of Community Involvement
Planning and Economic Development Portfolio**

To consider Report SHAP/57 of the Head of Strategic Housing and Planning Services. This is **Enclosure C**.

13. Supplemental Agenda

Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.

14. Exempt Information – Exclusion of the Public (*Subject to Agenda Item 5*)

The Committee is asked to consider passing the following resolution:-

That under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraphs specified against the item.

Part B Business – (Closed to the Public)

15. Crawley Town Hall Resources Portfolio

(Exempt Paragraphs 3 & 5)

Information relating to financial and business affairs of any particular person (including the Authority holding that information); and

Information in respect of which a claim to legal privilege could be maintained in legal proceedings.

To consider Report DCE/02 of the Deputy Chief Executive which was referred to the meeting of the Overview and Scrutiny Commission held on 6 February 2017.
This is **Enclosure X (to be published separately as agreed with the Leader)**.

16. Leasehold Insurance Tender Appraisal Resources Portfolio

(Exempt Paragraph 3)

Information relating to financial and business affairs of any particular person (including the Authority holding that information).

To consider Report FIN/402 of the Head of Finance, Revenues and Benefits.
This is **Enclosure D**.

17. Construction Consultancy Services Partnering Contract The Leader's Portfolio

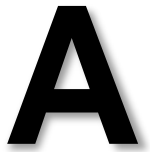
(Exempt Paragraph 3)

Information relating to financial and business affairs of any particular person (including the Authority holding that information).

To consider Report HPS/07 of the Head of Partnership Services.
This is **Enclosure E**.

This information is available in different formats and languages. If you or someone you know would like help with understanding this document please contact the Democratic Services Team on 01293 438549 or email: [democraticservices@Crawley.gov.uk](mailto:democraticservices@ Crawley.gov.uk)

Crawley Borough Council



Minutes of Cabinet

Wednesday 30 November 2016 at 7.30pm

Present:

Councillors	
P K Lamb	(Chair of Cabinet and Leader of the Council)
M G Jones	(Cabinet Member for Public Protection and Community Engagement)
C J Mullins	(Cabinet Member for Wellbeing)
A C Skudder	(Cabinet Member for Resources)
P C Smith	(Cabinet Member for Planning and Economic Development)
G Thomas	(Cabinet Member for Environmental Services and Sustainability)

Also in Attendance:

Councillor	D Crow
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Officers Present:

Ann-Maria Brown	Head of Legal and Democratic Services
Peter Browning	Deputy Head Chief Executive
Lee Harris	Chief Executive
Karen Hayes	Head of Finance, Revenue and Benefits
Chris Pedlow	Democratic Services Manager

Apologies for Absence:

Councillor	S J Joyce
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27. Members' Disclosure of Interests

No declarations of interests were made.

28. Minutes

The minutes of the meeting of the Cabinet held on [5 October 2016](#) were approved as a correct record and signed by the Chair.

29. Public Question Time

There were no questions from the public.

30. Matters Referred to the Cabinet

It was confirmed that no matters had been referred to the Cabinet for further consideration.

31. Report from the Chair of the Overview and Scrutiny Commission

The comments from the Overview and Scrutiny Commission had been circulated to all Cabinet Members. Details of those comments are provided under the minute to which the comments refer.

32. Treasury Management Mid-Year Review 2016/2017

The Leader presented report [FIN/396](#) of the Head of Finance, Revenues and Benefits highlighting that the Council was required to consider a Treasury Management report on a twice yearly basis to ensure Members were able to monitor the council's finances and to review how they were being invested.

It was noted that there were no grounds for concerns, but there were two elements of which Members needed to be aware. The first of which was the need to amend the Council's Annual Investment Strategy to include two new types of investments namely, Repurchase Agreement and loans to Housing Associations. The second issue related to a slight breach of the investment time limits, as a result of which measures had now been put in place to ensure that the Council would not go beyond such limits in the future.

The Cabinet noted the Overview and Scrutiny Commission's comments on the report before them, following the Commission's consideration of the matter at its meeting on 28 November 2016.

RESOLVED

That the Cabinet:

- 1) notes the report and the treasury activity for the first two quarters of 2016/2017;
- 2) notes the breach of investment limits (see section 7.3 of report [FIN/396](#))
- 3) recommends to Full Council the approval of an amendment to the Council's Annual Investment Strategy to include additional investment types to the investment strategy (Sections 5.2 – 5.4 of report [FIN/396](#) refers)

Reason for Decision

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (Treasury Management Strategy Statement, annual and midyear reports). This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

33. Review of the Council Tax Reduction Scheme

The Leader presented report [FIN/399](#) of the Head of Finance, Revenues and Benefits to the Cabinet, which informed Members of the requirement on the Council to have a Council Tax Reduction Scheme in place, that identified which residents would be exempted from paying Council Tax and those that would qualify for a reduction on their Council Tax. It was noted that the Council had a significant amount of discretion on the criteria for the reduction scheme and that the current scheme had not been updated since 2013.

The report contained 5 criteria options for the Cabinet to consider, as identified in paragraph 4.7 of the report, which had been out for consultation. In presenting the options the Leader proposed the following options should form the criteria that the Cabinet should recommend to Full Council for their approval.

- Option 2 (*To remove a Work Related Activity Component in the calculation for new ESA (Employment Support Allowance) applicants*),
- Option 4 (*Where someone is already paid Universal Credit (carer's element) to look after someone with a disability, to remove entitlement to the Severe Disability premium*) and
- Option 5 c (*Increase the allowance by the same as the default scheme (costing £84,000 and can be met from within the existing budget) – i.e. by the September CPI going back to when the scheme started in April 2013, this would make the scheme easier to administer*)

The Cabinet considered the comments from the Overview and Scrutiny Commission from its meeting on 28 November 2016, which the Commission had noted the report and supported the principal concept to support those options that had a less negative impact on those most vulnerable.

Members in considering the report and its criteria, agreed with the options proposed by the Leader, as they felt those were the options that would have the least negative impact on our most vulnerable residents.

RESOLVED

That the Cabinet:

- 1) considered the options set out in Appendix 1 of report [FIN/399](#) together with the results of the analysis of the consultation exercise undertaken in respect of the options and the findings of the second stage Equalities Impact Assessment (EQIA) shown in Appendix 2 of the report.
- 2) endorses that the following options be included within the proposed Council's Council Tax Reduction Scheme 2017/2018 from 1 April 2017.
 - Option 2 (*To remove a Work Related Activity Component in the calculation for new ESA (Employment Support Allowance) applicants*),
 - Option 4 (*Where someone is already paid Universal Credit (carer's element) to look after someone with a disability, to remove entitlement to the Severe Disability premium*) and
 - Option 5 c (*Increase the allowance by the same as the default scheme (costing £84,000 and can be met from within the existing budget) – i.e. by the September CPI going back to when the scheme started in April 2013, this would make the scheme easier to administer*)

- 3) recommends to Full Council that it approves the revised Council's Council Tax Reduction Scheme 2017/2018 with Options 2, 4 and 5c forming its criteria, from 1 April 2017, having had due regard to report [FIN/399](#), of the Head of Finance, Revenues and Benefits that includes the results of the analysis of the consultation exercise undertaken and the findings of the second stage Equalities Impact Assessment (EQIA) shown in Appendix 2 of the report.

Reason for Decision

The Council needs to decide whether it wishes to make any changes to its Local Council Tax Reduction Scheme (LCTRS).

34. Review of Statement of Licensing Policy Gambling Act 2005

The Cabinet Member for Environmental Services and Sustainability presented report [PES/222](#) of the Head of Economic and Environmental Services, which detailed the outcomes of the statutory consultation on the proposed revision of the Council's Statement of Licensing Policy. The Council had received three responses including from West Sussex County Council, and as a result of the views received a number of amendments to the draft policy had been identified in Appendix C to the report. It was noted that as the Council was the Licensing Authority it was required under the Gambling Act 2005 to approve, following consultation, a Statement of its Licensing policy under the Gambling Act 2005 every three years.

The Cabinet noted the Overview and Scrutiny Commission's support for the recommendations from their meeting on 28 November 2016, as detailed in the Commission's comments to Cabinet.

RESOLVED

That the Cabinet:

- 1) have reviewed the representations received following the consultation and approves the incorporation of those comments into a revised Statement of Licensing Policy (Gambling Act 2005), and,
- 2) requests that Full Council approves and adopts the Council's revised Statement Licensing (Gambling Act 2005) Policy.

Reason for Decision

It is a statutory requirement under the Gambling Act 2005 for a Licensing Authority to review and publish a Statement of its Licensing Policy every three years.

35. Safeguarding Children, Young People and Adults at Risk Policy 2016

The Leader of the Cabinet informed Members that this item had been deferred with his prior agreement, to enable the amended policy to be further reviewed. It will be resubmitted to the Cabinet in early 2017.

36. 2016/2017 Budget Monitoring - Quarter 2

The Leader presented report [FIN/395](#) of the Head of Finance, Revenues and Benefits. The report which provided a summary of the Council's actual revenue and capital spending up to the second quarter ending September 2016. It identified the main variations from the approved spending levels and any potential impact on future budgets. It was noted that the report requested the approval for an allocation of £1.1m from the Town Centre capital programme fund to extend the environmental improvement scheme, as part of the next phase of the Town Centre Regeneration Programme.

RESOLVED

That the Cabinet:

- 1) notes the projected outturn for the year 2016/2017 as summarised within the report.
- 2) approves an allocation of £1.1m from the £3.91m capital programme sum allocated for the Town Centre to extend the environmental improvement scheme in Queens Square along Queensway, The Pavement and Kingsgate, as part of the next phase of the Town Centre Regeneration Programme as outlined in paragraph 8.9 of the report.

Reason for Decision

To report to Members on the projected outturn for the year compared to the approved budget.

37. Supporting Business through Crawley Small Business Grant Scheme

The Cabinet Member for Planning and Economic Development presented report [PES/226](#) of the Head of Economic and Environmental Services and the Cabinet Member for Planning and Economic Development. The report provided the background behind why the Council was receiving funding from the West Sussex Pooled Business Rates Fund. It also detailed how the Council proposed to administer its allocation, via the Crawley Small Business Grant Scheme. It was noted the funding was to be used for allocation of grants to new and existing small businesses for apprenticeship grants and business support. The Cabinet Member also stated that the Council had already received a significant amount of interest from local businesses interested in applying for the proposed Small Business Grant Scheme.

The Cabinet were informed that the grant figure identified within the report was the anticipated Crawley Borough Council's allocation of the Pooled Business Rates Fund. However further communication since the publication of the report, had identified that the expected allocation for the Council was likely to be closer to £70,000.

RESOLVED

That the Cabinet:

- 1) notes the establishment of a Crawley Small Business Grant Scheme for new and existing small businesses, as set out in section 5 of the report, supported by Crawley Borough Council's allocation of the Pooled Business Rates Fund;

- 2) delegates authority to the Head of Economic and Environmental Services and Head of Finance, Revenues and Benefits in consultation with the Portfolio Holder for Planning and Economic Development to set the criteria and subsequently approve grants under the scheme.
- 3) requests that Full Council approve the amendments to the Functions of the Grants Appeals Panel as set out in Appendix A to these Minutes.

Reason for Decision

This report seeks the approval of Cabinet for the establishment of the Small Business Grant Scheme within Crawley and to delegate approval for the administration of the process, so that the scheme can be launched on Small Business Saturday (3rd December 2016), in line with other West Sussex authorities, and grants can be administered.

38. Town Centre Working Group: Change of Name and Terms of Reference

The Cabinet Member for Planning and Economic Development introduced this item to Cabinet reminding them that the Town Centre Working Group was originally set up to consider regeneration issues solely relating to the Town Centre. However, in addition to the Town Centre, economic regeneration initiatives were increasingly taking place across the Borough and as such it is proposed to change the name of the Working Group and widen its remit to reflect this.

RESOLVED

That Cabinet approves:

- 1) The change of the name of the Town Centre Working Group to the Economic Regeneration Working Group, and;
 - 2) The revised Terms of Reference of the Economic Regeneration Working Group as set out below
 - I). to receive and consider updates on economic regeneration initiatives and actions across the Borough, including delivery of the Town Centre Regeneration programme, the delivery of individual economic regeneration schemes and partnership activities within the Manor Royal Business District;
 - II). to receive and consider reports on economic regeneration activities in Crawley and to make recommendations, as necessary, to the Cabinet on the:-
 - proposals to regenerate sites identified in the Local Plan, the Town Centre Supplementary Planning Document and the Manor Royal Supplementary Planning Document & Design Guide.
 - identification and promotion of other economic regeneration opportunities to enhance the physical appearance and social, economic and educational attributes communications with all interested parties to maintain confidence in the wider economic regeneration of Crawley

Reason for Decision

With increasing economic regeneration initiatives occurring across the Borough it was considered desirable to change the name and remit of the Working Group, to reflect broader approach.

39. Closure of Meeting

With the business of the Cabinet concluded, the Chair declared the meeting closed at 8.00pm.

P K LAMB
Chair

Additional wording is shown as underlined

RESPONSIBILITY FOR COUNCIL FUNCTIONS GRANTS APPEALS PANEL

The powers and duties of the Council relating to the functions set out below are delegated to the Grants Appeals Panel. As far as possible, the functions of the Grants Appeals Panel will be carried out by a politically balanced panel of 5 Members drawn from the membership of that panel.

Membership: Councillors: M L Ayling, T G Belben, C A Cheshire, C R Eade, R S Fiveash, I T Irvine, K L Jaggard, M G Jones, S J Joyce, P K Lamb, T Lunnon, C J Mullins, D M Peck, M Pickett, C Portal Castro, B J Quinn, T Rana, R Sharma, A C Skudder, B A Smith, P C Smith, J Stanley, K Sudan, J Tarrant, G Thomas and L Vitler

(The Cabinet Member for Public Protection and Community Engagement to attend in an advisory and non-voting capacity for grants appeals for functions 1 and 2 below)

(The Cabinet Member for Planning and Economic Development to attend in an advisory and non-voting capacity for grants appeals for functions 3 below)

Functions of the Grants Appeals Panel

Delegation of Functions (concurrently with the Grants Appeals Panel)

- (1) To determine appeals by voluntary organisations in respect of grant applications received for the financial year
- (2) To determine appeals against the refusal of applications for discretionary business rate relief
- (3) To determine appeals against the refusal of applications for small business grant scheme

Crawley Borough Council

Report to Overview & Scrutiny Commission 6 February 2017

Report to Cabinet 8 February 2017

2017/18 Budget and Council Tax

Report of the Head of Finance, Revenues and Benefits, **FIN/401**

1. Purpose

- 1.1 The Council has a statutory responsibility to set a Council Tax and Budget in advance of the commencement of the new financial year (1 April to 31 March). The Council Tax has to be set by 11 March, each year. During 2016 the Council continued to review its spending plans and considered options to amend spending to meet new priorities. This report presents the Revenue, Capital and Housing Revenue Account (The Budget) and sets the level of Council Tax for the Financial Year 2017-2018 taking into account these factors.

2. Recommendations

- 2.1 To the Overview and Scrutiny Commission:

That the Commission considers the report and decides what comments, if any, it wishes to submit to the Cabinet.

- 2.2 To the Cabinet

The Cabinet is requested to recommend to the Full Council the approval of the following items regarding the 2017/18 Budget:

- (a) to approve the proposed 2017/18 General Fund Budget including savings and growth as set out in section 6 and Appendix 1 and Appendix 2 of the report,**
- (b) to approve the proposed 2017/18 Housing Revenue Account Budget as set out in section 10 and Appendix 3 of the report,**
- (c) to approve the 2016/17 to 2019/20 Capital Programme and funding as set out in paragraph 11.5 of the report,**
- (d) to agree that the Council's share of Council Tax for 2017/18 be increased by 2.52% from £189.27 to £194.04 for a band D property as set out in paragraphs 5.5.1 and 13.3,**
- (e) to approve the Pay Policy Statement for 2017/2018 as outlined in paragraph 16.3 and Appendix 6 of the report.**

3. Reasons for the Recommendations

- 3.1 To provide adequate funding for the proposed level of services and to fulfil the statutory requirement to set a Budget and Council Tax and report on the robustness of estimates.

4. Background

- 4.1 The 2017/18 General Fund and Housing Revenue Account Budgets and the 2019/20 Capital Programme will be set by Council in February 2017. This will be informed by the recommendations of the Budget Advisory Group, and take into account the savings and income generation achieved through the transformation programme led by the Corporate Management Team with increased focus on looking at income generation. This report excludes any implications of the Town Hall report elsewhere on this agenda.
- 4.2 The Council's revenue expenditure is funded from a number of sources. The major sources are council tax, rents, Government grants, retained business rates, investment income and fees and charges. The majority of the Council's services are funded from the General Fund. The main exception is the management and maintenance of the Council's housing stock, which is funded through a Housing Revenue Account (HRA).
- 4.3 There have been a number of major financial pressures on the General Fund since the start of the financial crisis in 2008/09. In common with all authorities there have been significant reductions in Government grant, reductions that will continue in the coming years with no Revenue Support Grant being received from the financial year 2020/21. Income from investments has fallen due to low interest rates. At the same time the costs of demand led services, such as homelessness and benefits payments, have increased.
- 4.4 The Council's approach has been to seek to maintain or enhance levels of service whilst keeping council tax increases to a minimum. This has been achieved in a number of ways, including redesigning services, delivering efficiency savings and generating new sources of income.
- 4.5 The 2017/18–2021/22 [Budget Strategy](#) was approved by the Cabinet in June 2016. The Strategy was based on a number of key assumptions:
- Annual Government grant reductions based on the four year settlement offer.
 - Work to keep Council Tax increases low without compromising local services,
 - An average investment rate of 1.65% for 2017/18 increasing to 2.15% for 2018/19, 2.40% for 2019/20, 2.45% for 2020/21 and 2.50% for 2021/22 (these figures were produced before the Referendum decision to leave the EU),
 - A 1% pay award for the financial years 2017/18 to 2019/20, increasing to 1.5% in 2020/21 and 2.0% in 2021/22,
 - An inflation provision of 1.3% for contract expenditure in 2017/18, 2.0% in 2018/19 and 2.5% for the following years with no inflation allowance for general running expenses,
 - An assumed increase in business rates income of 2.5% in 2017/18 to 2019/20 decreasing to 2% for the following years,
 - An overall increase in fees and charges of 2%.
- 4.6 The Budget Strategy approved working towards balancing the budget over a three year period, including putting back into reserves when the Budget is in surplus. This methodology was included in the Council's [Efficiency Plan](#) which has been approved

by the Department of Communities and Local Government (DCLG) see paragraph 5.1 below.

A budget gap of £465,000 was identified in the Budget Strategy. This assumed no increase in Council tax and the report showed the impact of different council tax increases on the gap. This reduced to £295,000 with a £5 increase which is the maximum increase. The Budget Strategy report included over £1m of efficiencies, increased income and savings and these are shown in Appendix 1(iii). Without these the budget gap would have been £1.472m for 2017/18.

4.7 There have been some significant changes since the Budget Strategy was approved including:

- Impact on interest rates as a result of the Referendum decision to leave the EU
- Increased cost of inflation (September ONS figures)
- Changes to New Homes Bonus, both positive and negative
- Increase in Pension Fund contributions is less than anticipated
- Additional efficiencies, savings and income identified
- Additional Council Tax income

4.8 The Table below summarises the changes between the approved Budget Strategy and the proposed 2017/18 Budget. Further details are provided in section 5 of the report.

	£'000s	Paragraph
June Cabinet Budget Gap	(465)	4.6
Council Tax increase	162	5.5.1
Council Tax Base/Surplus – less than anticipated	(52)	5.5.1
New Homes Bonus more properties built	267	5.5.2
New Homes Bonus – Adult Social care top slice	(79)	5.5.2
Reduced Investment income	(806)	5.5.3
Additional cost of inflation	(40)	5.5.4
Pension costs less than anticipated	58	5.5.5
Additional income from capital investment	31	5.5.6
Review of budgets as part of budget setting	177	5.5.7
Anticipated restructure within the Enforcement and technical team Community Services	65	5.5.8
Immigration and Asylum coordinator contribution	(10)	5.5.9
2017/18 Savings	702	See
2017/18 Growth	(10)	Section
		6.4
Gap	0	

5. Analysis

- 5.1 The Government announced its Spending Review in November 2015. A Statement to House of Commons on 17 Dec 2015 said “a guaranteed budget to every council which desires one and which can demonstrate efficiency savings – for next year, and for every year of this Parliament.”

The only condition attached to the four-year offer is for authorities to publish an annual [Efficiency Statement](#) ‘which should be as simple and straightforward as possible’. The Council accepted the 4 year Grant Settlement from 1/4/2016 until 31/3/2020 by submission of its Efficiency Statement with the time frames which has been accepted.

The four year Settlement figures provided by the DCLG are shown below, this however does not guarantee the future of specific grants including housing benefits and New Homes Bonus.

The four year settlement shows grant reductions as below.

	2016/17	2017/18	2018/19	2019/20
Revenue Support Grant	£1.76m	£1.04m	£0.57m	£0.06m
Percentage reduction	-32.35%	-41.64%	-44.54%	-89.72%

In 2019/20 the Council will receive £59,107 in Revenue Support Grant with the assumption of no further grant in the following years.

The Government determines the amount of grant it will provide to the Council and the basis on which the estimated amount of business rates the Council will retain are determined. The following Table sets this out in terms of the ‘Settlement Funding Assessment Elements’ for 2017/18, these figures are the draft Settlement details. The percentage change relates to the change compared with 2016/17.

	Revenue Support Grant	Business Rates	Total
	£	£	£
Start Up Assessment 2016/17	1,775,734	3,333,946	5,109,680
Provisional Start Up Assessment 2017/18	1,036,391	3,402,011	4,438,402
Change in year	-739,343	291,935	-447,408
Percentage Change	- 41.64%		

Business rates figures have been recalculated in 2017/18 to reflect the adjustment for the 2017/18 business rates revaluation as outlined in paragraph 5.2 below.

There is a **6.44% reduction in ‘spending power’**, this is the largest reduction of all West Sussex councils.

5.2 Retained Business Rates

Every non domestic property in the country has been revalued, these valuations will be based on non-domestic properties’ rateable value at April 2015. This new

valuation list for all non-domestic properties takes effect from April 2017. The amount Businesses pay is based on the property valuation multiplied by a 'national rate multiplier'; there are two multipliers, one for small and another for standard businesses.

The Valuation Office Agency has published details of individual properties' draft rateable values for the new list, providing ratepayers with an estimate of their business rates bill from April 2017.

The revaluation is designed to be nationally 'fiscally-neutral', meaning the overall income from business rate receipts will remain constant in real terms at the start of the new list. In order to achieve this, given an overall national increase in rateable values, the multiplier will be reduced.

DCLG have indicated that 'the small business multiplier is estimated to fall, from April 2017, from 48.4p by 1.8p to 46.6p; and the standard multiplier is also estimated to fall from 49.7p by 1.9p to 47.9p to ensure business rate receipts remain constant in real terms'. These multipliers will be confirmed after either the Local Government Finance report for 2017/18 has been approved or 1 March 2017, whichever is earlier.

- 5.3 The impact on Crawley is that the overall Rateable Value has increased by 4.53% to almost £269 million; however nationally the increase is 9.1% (in London the average increase is 22.8%). After applying the new multiplier we will receive less income than the current financial year. This should be adjusted through the 'tariff' that the Council has to pay back to the Government.

In order to manage the impact of the revaluation on ratepayers, a transitional relief scheme will operate, as in previous years. The transitional relief arrangements are designed to be self-funding, with the cost of the relief for those ratepayers facing increases funded from other ratepayers.

Although the Council will collect in excess of £116 million in business rates, the amount it retains is much smaller. One of the main reasons for this is that the Government retain 50% of the rates collected and West Sussex County Council retain 10%. The second main reason is that the Council also has to pay a significant tariff to the Government. There are further complications in that the Council's retained share can be added to by a safety net payment or suffer a further levy. These are applied if a Council's retained share is more than 7.5% below a Government set figure (safety net) or above it (a levy of 50%).

Projected non-domestic rates income	£116,436,243
Government share	-£58,218,121
West Sussex County Council share	-£11,643,624
Crawley Borough Council share (before tariff & levy)	<u>£46,574,497</u>

The projected retained rates amount for 2017/18 is set out in the table below. A levy will apply if the forecast is correct.

	£
Council's share of non-domestic rates income	46,574,497
Tariff	(40,108,455)
Levy	(1,683,787)
Safety net	0
Sub total	<u>4,782,255</u>
Additional rates due to renewable energy at K2 Crawley	4,660
S31 Grants	401,144
Sub Total	<u>5,188,059</u>
Deficit in current financial year	(2,352,822)
Transfer from the Business Rates Equalisation reserve	2,147,333
Total	<u>4,982,571</u>

There is budgeted income of £401,144 in respect of Section 31 Grants, this is to reimburse the Council for business rate reliefs, including small business rate relief given by the Government which have reduced the retained rates that the Council would otherwise have received. Section 31 of the Local Government Act 2003 allows a Minister of the Crown to pay a grant to a local authority of England towards expenditure incurred by it.

5.4 It should be noted that there is significant potential volatility in business rates income, for economic, practical and technical reasons. It is possible that the final amount retained by the Council in 2017/18 will vary by several hundred thousand pounds from the current estimate, a business rates equalisation reserve has been established to assist in the management of these swings. There is a budgeted transfer to reserves in the current financial year of £2,031,564 in respect of business rates.

5.5 The following paragraphs identify changes since the Budget Strategy report.

5.5.1 Council Tax

The Budget Advisory Group agreed to recommend to Cabinet an increase in Council Tax of **£4.77** per annum for a Band D property, this is an increase of 2.52%. The Department of Communities and Local Government (DCLG) gave capping guidance of the increase of 2% or £5 on a Band D, whichever is the highest.

The Budget Strategy gave different options on increases and the aim was to keep Council Tax increases low without compromising local services. Appendix 4 gives the proposed Council Tax per band including this 2.52% increase.

In the past, Council tax freezes had been compensated through a Government freeze grant, however this has resulted in future council tax income being eroded as the council lost out on the incremental effect of the increase in the annual Council tax.

The Table below shows the impact on the proposed increase in Council tax per year and per week, it also shows the change in the number of properties in each band since last year, this shows the largest increase are in bands A – C, Appendix 4 gives the total number of properties in each Council Tax band.

Council Tax Band	Change in the number of properties from last year	Proposed Council Tax (Crawley element)	Proposed Increase per year	Proposed Increase per week
		£	£	£
A	223	126.18	3.18	0.06
B	95	147.21	3.71	0.07
C	209	168.24	4.24	0.08
D	114	189.27	4.77	0.09
E	-8	231.33	5.83	0.11
F	9	273.39	6.89	0.13
G	4	315.45	7.95	0.15
H	0	378.54	9.54	0.18
	646			

As a result of net increases in the number of properties in Crawley, the 2017/18 Council Tax base has changed. The number of properties has increased by 646, however the majority of these properties are in Council Tax Band A-C; this has resulted in £28,000 less Council Tax income than projected in the June Budget Strategy report.

The Council will receive a share of the Collection Fund surplus in 2017/18 of £47,413 (see paragraph 14.1 - £60,000 of which was previously estimated).

5.5.2 New Homes Bonus

The New Homes Bonus (NHB) was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas. It rewards local councils for additional homes added to the council tax base, including newly built properties and conversions as well as long term empty properties brought back into use, after deducting demolitions.

The Council receives direct payment from the DCLG for the number of new properties we report to the Valuation Office. For each dwelling the total payment is £1,529 (of which West Sussex County (WSCC) receives £306 and Crawley Borough Council £1,223) with an additional £350 for affordable housing of which Crawley Borough Council receive £280 and WSCC receives £70.

The Government consultation "[sharpening the incentive](#)" on NHB was launched in December 2015 with a closing date of 10th March 2016.

The options floated included: withholding the Bonus from areas where an authority does not have a Local Plan in place; abating the Bonus in circumstances where

planning permission for a new development has only been granted on appeal; and adjusting the Bonus to reflect estimates of 'deadweight'; this is where building would have taken place even if there had not been an incentive.

It was announced by the Minister for Communities and Local Government on the 16th December 2016 that the Government will implement reforms to the scheme that sharpen the incentive for housing growth. This means New Homes Bonus payments will be reduced in duration from 6 years to 5 years in 2017-18 and 4 years from 2018-19. This had been included in our assumptions in the budget strategy.

From 2017-18 the Government will also introduce a national baseline for housing growth of 0.4% below which New Homes Bonus will not be paid reflecting a percentage of housing that would have been built anyway (deadweight).

The original consultation suggested 0.25% for the 'deadweight'. The actual deadweight was set at 0.40%, which suggests (though it doesn't say that in the response) that 0.15% is going towards adult social care. This was a very late announcement. We had assumed 0.25% and as a result we will receive £79,471 less per annum for five years than anticipated, a loss over the period of £397,355. This represents a 24.29% reduction which is the second highest reduction in West Sussex.

The New Homes Bonus that Crawley Borough Council received in 2016/17 was £1,880,562. This is made up of agreed annual sums based on housing growth in year. The New Homes Bonus for 2017/18 is £1,431,861 a reduction of £448,701 (23.86%) from 2016/17.

The numbers of new properties completed were higher than originally estimated in the Budget Strategy. The New Homes Bonus calculation is based on the increase in the Band D average, as the majority of the housing growth is Bands A-C we receive less New Homes Bonus as a result.

The Government will retain the option of making adjustments to the baseline in future years to reflect significant and unexpected housing growth. The increase in this deadweight has been included in future years' projections and has resulted in an increased budget gap as outlined in section 7.2 below.

5.5.3 Reduced Investment Interest

Interest projections have reduced as a result of the Bank of England reducing the base rate to 0.25% as a result of the Referendum decision to leave the EU.

5.5.4 Increased costs of inflation

At the end of September 2016 RPI was 2.0% which is the general allowance for contracts inflation; when the Budget Strategy was set in June 2016 the figure assumed was 1.3%. Inflation increased over the summer period.

5.5.5 Reduced cost of employers pension contributions

The actuarial revaluation of the pension fund managed by West Sussex County Council has resulted in a 0.5% increase in contributions annually from 2017/18 to 2019/20. The Budget Strategy assumed 1% per annum.

5.5.6 Additional income from capital investments

As a result of capital investment and spend to save / spend to earn there will be additional income over and above what was budgeted for in the June Budget Strategy report.

5.5.7 Review of budgets as part of the budget setting process

With the introduction of the new financial management software Collaborative Planning, managers now have more management information and control over their budgets. As a result they have been able to identify savings and increased income as part of the budget setting process. This includes additional commercial property income and reduced operational costs.

5.5.8 There will be a restructure within the Enforcement and Technical team within the Community services area in 2017/18, this will result in anticipated savings of £65,000.

5.5.9 It is proposed to establish a single countywide team to co-ordinate our increasing workload on immigration and asylum seekers. This will be funded on a 60/40 basis between West Sussex County Council and the Districts and Boroughs and was felt to be the best way forward by County, Borough and District Leaders. Each District and Borough will contribute £10,000 towards the cost of a small team based at the County. The progress and success of this will be reviewed on an annual basis by the Leaders of County, Boroughs and Districts.

6. 2017/18 General Fund Budget

6.1 Details of the proposed 2017/18 Budget are set out in Appendix 2 and is summarised in the Table below:

2017/18 General Fund Budget		£'000s
Net Cost of Services (see table below 6.2)		14,720
Investment Income		(645)
Transfer to/from Reserves		0
Net Expenditure		14,075
Funded by		
Revenue Support Grant		1,036
New Homes Bonus		1,432
Council Tax		6,577
Collection Fund surplus – Council Tax		47
Total Retained Business Rates (5.3)	5,188	
Deficit in current year (5.3)	(2,353)	
Transfer from Business Rates Equalisation Reserve	<u>2,147</u>	4,983
Total		14,075

6.2 Estimated service expenditure is summarised in the table below:

2017/18 Budget – Service Expenditure	
Portfolio	£'000s
Cabinet	1,435
Public Protection and Community Engagement	1,595
Resources	1,129
Environmental Services & Sustainability	5,917
Housing Services	3,131
Wellbeing	7,098
Planning & Economic Development	-2,560
Depreciation	-3,425
Contribution to Renewals Funds	400
Net Cost of Services	14,720

6.3 The report of the Budget Advisory Group (BAG) Chair is attached at Appendix 1.

6.4 The table below summarises the efficiencies, savings and additional income included in the 2017/18 Budget with £1.951m identified:

Efficiencies, additional income and savings	2017/18 £'000s
Identified in Budget Strategy (Appendix 1 (iii))	1,007
Reported to the Budget Advisory Group (Appendix 1)	702
Identified as part of budget setting (5.5.7 and 5.5.8)	242
Total identified	1,951

6.5 The BAG are recommending to Cabinet the approval of a growth item of £10,000 per annum for the financial years 2017/18 for the extension of Unison facility time. In 2012 The Council made a Budget decision to reduce the facility time for the Unison Branch Secretary from 37 hours per week to 14.4 hours per week.

This was agreed on the basis that the Branch Secretary would develop stewards to take on more representation duties in order for him to manage on the reduced facility time. This has not been possible and the Branch Secretary is no longer able to cope with the responsibilities of the role in the 14.4 hours per week that is available.

Unison requested an extension of the facility time to 21.6 hours per week in order to meet the need from members of the union and management of the organisation. This has been agreed by the Cabinet Member for Resources and endorsed by the Cabinet at the meeting of the Employees Joint Consultative Committee on the 13th July 2016 on a 6 month trial basis.

This trial started in August 2016. At the moment the additional day is being provided by the Deputy Branch Secretary and being funded from his substantive post. This is not sustainable going forward and it is therefore proposed that the

budget for facility time is extended by £9,700 per annum to allow for the facility time to be extended permanently.

Recommendation 2.2 (a): to approve the proposed 2017/18 General Fund Budget including the savings and growth proposals as set out above and Appendix 1 and 2.

7. 2018/19 Budget Projections

7.1 The Budget Strategy for 2018/19 to 2022/23 is scheduled to be considered at the June 2017 Cabinet. The table below summarises the 2018/19 Budget projections based on the following headline assumptions:

- An inflationary increase in Council Tax.
- Average investment rate of 0.5%
- An inflation provision of 2.0% for contract expenditure with no allowance for general running expenses.
- A pay award of 1.0%.
- An overall increase in fees and charges of 2%.

	2018/19 £'000s
Base Budget	15,140
Investment interest	(564)
Net Budget	14,576
Funded by:	
Council Tax	6,854
Retained Business Rates	5,107
Formula Grant	575
New Homes Bonus	1,370
Indicative Budget Gap	670

The main changes between years are itemised below

	2017/18 £000's	2018/19 £000's	Change £000's
New Homes Bonus	1,432	1,370	62
Revenue Support Grant	1,036	575	461
Interest projections	645	564	81
Inflation provision			83

The Corporate Management Team continue to work with staff and contractors to identify and implement improved ways of working and to focus on the aim of dealing with matters first time. The transformation programme of service improvements and efficiencies achieved through systems thinking and other types of review continue with the aim of continual streamlining of internal processes to reduced waste and duplication, and also to focus on the defined purpose of each service. The transformation programme includes an increased focus on achieving new sources of income.

8. Fees & Charges

- 8.1 The Budget Strategy assumes a general increase in fees and charges of 2%. In some cases a lower increase has been assumed; for example when a service is required by statute to be self-financing. In other cases, a higher increase has been assumed. The overall objective was to increase income by 2%. This has not been possible in some cases due to having to set commercially attractive prices. A schedule of all fees and charges is available on the website and a copy has been left in the Members' Room.

9. Investment Income

- 9.1 Interest on investments provides a significant source of funding for the Council. For the 2017/18 Budget, it represents 4.8% of the Net Cost of Services. The following paragraphs provide details of the key factors and assumptions that affect the calculation of this Budget.
- 9.2 The average yield from investments in 2017/18 is projected at 0.50%. Most of the longer term investments at higher interest rates have now matured, so the projection now more closely matches the lower interest rates available in the market.
- 9.3 Due to the potential volatility of the market, investment rate assumptions have been constantly revised in recent months. The 2017/18 Budget is based on the following assumptions:
- Average yield of 0.35% for new internal investments.
 - Cash flows have been calculated from the revenue and capital budgets reported in this report.
 - Cash flows relating to the capital programme are spread evenly through the year.
 - Cash flows relating to revenue are based on the timings of previous year's income and expenditure.
- 9.4 It is believed that these assumptions are realistic and not over-cautious. However, it is likely that there will be variances due to the number of external factors that can affect investment performance and the size of the sums available for investment. The investment interest budget will be monitored closely throughout 2017/18 and any projected variances will be highlighted in budget monitoring reports.
- 9.5 Further information on the investments can be found in the Treasury Management Strategy 2017/18 which can be found elsewhere on the agenda.
- 9.6 Appendix 5 identifies that the volatility of interest rates is a key risk associated with the 2017/18 budget and the medium term Budget strategy.

10. Spending Plans – Council House Service – Revenue

- 10.1 Details of the HRA Budget are set out in Appendix 3. The main changes between the 2016/17 budget and 2017/18 budget are as follows.
- 10.2 The Portfolio holder for housing has delegated authority to vary the rent of properties held in the Housing Revenue Account. However, in the Housing and Planning Act, the Government has required social housing providers to reduce their rents by at least 1% and the Cabinet member has therefore opted for a 1%

reduction which equates to nearly £400,000 reduction in income which is partly offset by additional income from new dwellings giving a net reduction in income of £320,000.

- 10.3 The responsive repairs budget includes an allowance for inflation on the contract of £221,000, together with an increase of £280,000 in base works for void properties.
- 10.4 The major variance within the cyclical and planned budget is due to the reduced requirement for external painting now that the five year programme of £1 million has been completed.
- 10.5 The Other income and Managed services variance refer to the effects of the withdrawal of support from West Sussex for the sheltered housing service, this service is being reviewed.
- 10.6 The capital programme as outlined in section 11 below and in Appendix 3 (i) is funded from HRA resources, HRA capital reserves and 1-4-1 Right to Buy receipts.

Recommendation 2.2 (b) to approve the proposed 2017/18 Housing Revenue Account Budget as set out above and Appendix 3 of the report.

11. Capital Programme

- 11.1 The June 2016 Budget Strategy report approved that future bids for capital should be based on expenditure required to maintain the Council's assets, for environmental obligations such as flood prevention and for disabled facilities grants. In addition bids will be for spend to save projects or spend to earn investment income. Appendix 1 sets out the recommendations of the Budget Advisory Group.

The recommended Capital programme is shown in the following Table.

	£'000s
IT Future Projects Fund	145
Sustainable Heating Supply Tilgate Park & Nature Centre 'Spend to Save'	249
Total	394

- 11.2 The proposed programme of £0.394m is incorporated into the financial projections contained in other sections in this report.
- 11.3 The table below sets out the proposed capital programme and funding for 2016/17 to 2019/20 based on the existing approved programme amended for items identified in the Quarter 3 Budget Monitoring report. It is proposed to bring these two schemes to 2017/18.
- 11.4 The approved HRA Budget is included as amended in the report to the Budget Advisory Group at its meeting on 24th November 2016. The impact on the HRA from the 1% rent reduction would be a £148m loss in income over a 30 year period based on current forecasts. As a result mitigating measures are being put into place to ensure that the housing delivery programme stays on track, this includes reviewing

the existing capital programme. The major repairs programme is constantly reviewed in light of works on site, surveys, customer and stakeholder demand. The ongoing review has shown areas where expenditure could be reduced over the next three years made up of reduction of budget including external decorating programme. It is based on more up to date housing repairs needs. A schedule of the Crawley Homes capital programme is given in Appendix 3 (i). The HRA Investment priorities were approved at Cabinet on 10 October 2012, together with the Affordable Housing delivery programme budget approvals which was approved by Cabinet on 2nd December 2015 CH/167.

11.5 2016/17 to 2019/20 Capital Programme

	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s
Existing Programme (agrees with Q3 elsewhere on this Agenda)	30,904	53,225	46,693	5,761	136,583
HRA Adjustment to the Budget Required (Appendix 3(i))		(2,250)	(1,500)	10,830	7,080
Forge Wood (paragraph 11.4 above)			2,780	9,435	12,215
New Schemes					
IT Future Projects Fund		145			145
Sustainable Heating Supply Tilgate Park & Nature Centre 'Spend to Save'		249			249
TOTAL	30,904	51,369	47,973	26,026	156,272

Funded by -					
Capital Receipts	4,919	12,551	8,419		25,889
Capital Reserve	7,899				7,899
Replacement Funds	453	23	87		563
1-4-1 Receipts	1,339	5,217	8,773	4,531	19,860
HRA revenue contribution	13,599	32,251	30,694	21,401	97,945
Section 106 contributions	301	95		94	490
Lottery/external funding	1,678	854			2,532
Better care fund (formally DFG's)*	716	378			1,094
TOTAL	30,904	51,369	47,973	26,026	156,272

* Disabled Facilities Grant budget will be adjusted once notification of the Better Care Fund allocations are known.

Recommendation 2.2 (c): to approve the 2016/17 to 2019/20 capital programme and funding as set out above.

12. Robustness of Estimates and Adequacy of Reserves

- 12.1 Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Chief Finance Officer) to report to their authority on the robustness of estimates and the adequacy of reserves provided for within the Budget. Authorities are required to take into account the Section 151 Officer's report when setting their Budget requirement.
- 12.2 The Budget Strategy 2017/18-2021/22 was approved by the Cabinet on 29th June 2016. Key objectives of the Strategy are:
- Work towards a balanced Budget over a three year period including putting back to reserves when the Budget is in surplus.
 - Aim to keep Council Tax low without compromising local services.
 - Instruct Corporate Management Team to take action to address the long term budget gap and to identify policy options for consideration by Cabinet Members and the Budget Advisory Group.
 - That items for the Capital Programme are driven by the need for the upkeep of council assets and environmental obligations, and schemes will be also considered that are spend to save and spend to earn.
 - That the Council apply to accept the four year grant settlement from 1st April 2016 to 31st March 2020.
- 12.3 These objectives have been met. To date the Council has responded well to the financial challenges of recent years. It has produced balanced Budgets, with transfers to reserves in both 2015/16 and 2016/17 in respect of general fund services, and maintained front-line services. The challenges will become more demanding in future years. Despite the healthy level of reserves, it is less likely that it will be able to continue to achieve a balanced Budget and maintain current service levels.
- 12.4 In compiling the 2017/18 Budget, a review of all departmental budgets has been undertaken to ensure that existing budget provision is adequate and that additional provision has been made for known service pressures, this review has resulted in efficiencies, savings and additional income as identified in paragraph 5.5.7 above.
- 12.5 There are a number of services where budgets are susceptible to changes outside the direct control of the Council. These tend to be demand-led services such as homelessness, benefits payments, development control fees and Council Tax Reduction payments. There is also volatility in income streams that are affected by external factors such as investment and business rates income. For such budgets, the latest information has been used to calculate the Budget.
- 12.6 There is a risk that the economic outlook will continue to be depressed in the public sector which could have a significant effect on demand-led expenditure budgets and some income budgets, there will also be adverse impacts upon budgets due to the impacts of welfare reforms and the unknown impacts of the decision to leave the EU. Budgets are monitored by officers on a monthly basis and the Corporate Management Team receives an update on key issues, while a quarterly revenue and capital Budget monitoring report is considered by the Cabinet and included in the Members information bulletin. This should ensure that any projected variances are identified at an early stage.

12.7 A review of reserves has been undertaken as part of the 2017/18 Budget preparation. The Table below summarises the estimated level of reserves available for 2017/18:

	Estimated Available Balance at 31/3/17 £'000s	Paragraph
General Fund Reserves		
General Fund Reserve / Balance	4,000	12.7.2
Business Rates Equalisation reserve	5,000	12.7.2
Usable Capital Receipts	29,182	12.7.3
Capital Reserve	2,795	12.7.4
Acquisition reserve	5,000	12.7.4
1-4-1 Receipts	12,165	12.7.4
Development of Facilities for Young People	160	12.7.4
Restructuring Impact	870	12.7.5
Housing & Planning Delivery Grant/LDF	300	12.7.6
Vehicles & Plant	166	12.7.7
ICT Replacement	58	12.7.7
Specialist Equipment – Hawth & K2 Crawley	17	12.7.7
Town Centre Regeneration	250	12.7.8
Other	1,194	12.7.9
Total General Fund	61,635	
HRA Reserves		
Housing Revenue Account	3,321	12.7.10
Housing Capital Investment reserve (committed)	31,373	12.7.11
Total HRA	34,694	
Total	96,329	

12.7.1 The General Fund reserve and balance provides a source of funds to deal with: -

- Potential cash flow problems; and
- Unanticipated adverse financial impacts.

The balance on the reserve provides investment interest that is used to support the Revenue Budget.

12.7.2 In line with the Budget Strategy report the balance on this reserve will be £4m at 31 March 2017. The Head of Finance Revenues and Benefits is satisfied that this level of reserve is adequate to enable the Council to face the challenges over the short term. This may result in using reserves as the Council is continuing to review service provision through the transformation programme at the same time looking at

maximising income generating opportunities. In addition a £5m reserve for business rates equalisation will be available to absorb the volatility of business rates income.

- 12.7.3 The projected balance of usable capital receipts at the end of March is £29,182m. Usable capital receipts can only be used for capital spending.
- 12.7.4 The capital reserve was created by transferring balances from the revenue reserve and the general fund balance. The estimated balance at the end of March is £2.795m. A separate reserve for Investment acquisitions has been established of £5m. In addition to this there is £0.160m in the Developing Facilities for Young People reserve and an estimated £12,165m of 1-4-1 receipts from right to buy. There are restrictions on these 1-4-1 receipts, including that they can only make a 30% contribution towards affordable housing capital expenditure. This sum is committed on schemes such as Forge Wood.
- 12.7.5 The Restructuring Impact reserve was created as part of the 2008/09 Budget in order to smooth the impact of any restructuring/reorganisation initiatives. The reserve meets the one-off costs associated with restructuring.
- 12.7.6 The balance of the Local Development Framework has commitments and will be fully reviewed as part of the closure of accounts 2016/17 as the Local Plan has now been approved.
- 12.7.7 There are three replacement funds; these are ICT Replacement, Specialist Equipment – Hawth & K2 Crawley, and Vehicles & Plant. The use of these funds is determined by the appropriate Cabinet member under delegated powers.
- 12.7.8 The purpose of the Town Centre and Regeneration Reserve is to provide pump priming and partnership finance for potential town centre regeneration and economic development schemes - this reserve is almost fully committed.
- 12.7.9 There are a number of reserves which are earmarked for a specific purpose, e.g. Risk Management and Insurance. These reserves are not available to support the revenue Budget. Investment interest on these reserves is credited to the General Fund.
- 12.7.10 The Housing Revenue account balance is estimated to be just over £3 million at the end of the current financial year, this is an acceptable balance.
- 12.7.11 In line with the HRA Business Plan and the capital programme, the balance on the Housing capital investment reserve will be used on future housing development programmes - this is fully committed.

13. Council Tax

- 13.1 The 2017/18 Budget Strategy aimed to keep any increase in Council Tax low without compromising services. On the advice of the Budget Advisory Group It is proposed to increase the Council tax by £4.77 per annum for a Band D property which is an increase of 2.52%, this is an increase of less than 9p per week.
- 13.2 It is assumed that West Sussex County Council will increase their share of the Council Tax for 2017/18 by 3.95%, this will equate to an estimated increase of £47.70 per band D property. This includes an increase of 2% for Adult Social care responsibilities.

- 13.3 It is understood that the Police and Crime Commissioner will be increasing their share of the Council Tax by 3.36% which is an increase of £5.00 per annum. This will be confirmed at the Council meeting on 22 February. A breakdown of the Crawley Borough Council charge per Council Tax band is given at Appendix 4.

Recommendation 2.2(d): to agree that the Council's share of Council Tax for 2017/18 be increased by 2.52% to £194.04 for a band D property.

14. Collection Fund

14.1 Council Tax

Each year, a forecast is made of the amount of Council Tax to be collected in the following financial year. The surplus or deficit on the Collection fund is the difference between the actual amounts collected from the forecast at the beginning of the year. This year's surplus position is £387,304 of which £47,413 is the Council's share.

14.2 Business Rates

In a similar manner, the overall estimated deficit in relation to Business Rates is £5,906,904 of which £2,352,822 is the Council's share (this sum will form part of the sum to be transferred from the Business Rates Equalisation reserve).

15. National Non Domestic Rates (NNDR)

- 15.1 The Department for Communities and Local Government has advised the provisional business rate multiplier for 2017/18 as follows (see section 5.2 above):-

- i) Standard Multiplier – 47.9p per £ (49.7p in 2016/17)
- ii) Small Business Multiplier – 46.6p per £ (48.4p in 2016/17)

- 15.2 Copies of this report have been circulated to representatives of the business community for their comments.

16. Implications

- 16.1 The high level risks to the 2017/18 Budget and how they will be managed are shown in the Appendix 5. Risks are highlighted throughout the report including interest rates, the impact of the economic climate, ensuring planned savings are achieved, and the availability of capital resources in future years. In some cases these can be mitigated by a stringent approach to financial control and planning and a rigorous approach to reviewing current levels of expenditure and procurement methods.

- 16.2 It is anticipated that the Budget measures set out in this report will reduce the Council's staffing establishment by 2.2 Full time equivalent (FTE's) posts most of which are vacant or relate to changes already implemented. All reorganisations are carried out in accordance with the Council's agreed Management of Organisational Change procedure which includes full staff consultation so the exact number may change as detailed proposals are drawn up. The redeployment process is designed to maximise the opportunity for those at risk of redundancy to find alternative employment within the Council.

- 16.3 The Council is required to produce a Pay Policy Statement in accordance with Section 38(1) of the Localism Act 2011 and statutory guidance and this will be updated annually from April each year. The policy statement for 2017/18 is attached at Appendix 6.

This pay policy statement sets out the council's policies relating to the pay of its workforce for the financial year 2017/18, in particular

- a) The remuneration of its Chief Officers
- b) The remuneration of its "lowest paid employees"
- c) The relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.

Recommendation 2.2(e): to approve the Pay Policy statement for 2017/2018 as outlined above and appendix 6 of the report.

- 16.4 Financial implications are addressed throughout this report.
- 16.5 The Council Tax in England and Wales is provided for and governed by the provisions of the Local Government Finance Act 1992. Within this Act, the Council is designated as a "Billing Authority", responsible for the billing, collection and enforcement of Council Tax. The Chair of the Cabinet, under delegated powers, has approved the calculation of the Council Tax base for the year 2017/18 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, made under Section 33(5) of the Local Government Finance Act 1992.
- 16.6 The Non-Domestic Rating (Rates Retention) Regulations 2013 require a billing authority, by 31 January in the preceding year, to:
- (a) Calculate its non-domestic rates income for the relevant year;
 - (b) Calculate the amount of the central share of its non-domestic rating income for the relevant year;
 - (c) Calculate the amount of each relevant precepting authority's share of its non-domestic rating income for the relevant year; and
 - (d) Notify the Secretary of State and any relevant precepting authorities of the amounts calculated.

The Chair of the Cabinet, under delegated powers, has approved the calculation of the Non-Domestic Rating for the year 2017/18.

17. Other implications

The legal implications are set out in the report. The Equality Act 2010 includes a public sector equality duty which requires Councils when exercising functions to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act and to advance equality of opportunity and foster good relations between those who share a "protected characteristic and those who do not share that protected characteristic". When a Budget proposal has implications for people covered by the Equality Act 2010, the Council must take account of the Equality Duty and any particular impact on the protected group. There are no specific equality implications arising from the Budget that the Council is proposing.

18. Background Papers

Budget Strategy 29 June 2016 Fin/386

Budget Strategy 2016/17 - 2020/21 (FIN/368) OSC / Cabinet September 2015

HRA Investment priorities CH/104 OSC 8 October 2012 & Cabinet 10 October 2012

Quarterly Budget Monitoring Quarter 3 (FIN/403) – Cabinet 8 February 2017

Treasury Management Strategy 2017/18 (FIN/404) – Cabinet 8 February 2017

2016/2017 Budget Monitoring Quarter 1 (FIN/392)

2016/2017 Budget Monitoring - Quarter 2 Fin/395

Efficiency Statement

Contact Officer: - Karen Hayes
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Report of the Budget Advisory Group

The Group has had two meetings, the first to update on the financial position, the second considered growth and the capital programme proposals put forward by Portfolio Holders and officers. It has been able to raise questions on these proposals and receive further information where requested.

Revenue Savings

A number of savings have already been identified mainly as a result of the Transformation programme. These have been or will be implemented. These savings are shown in the Table below.

	£	
Items identified as part of the budget monitoring process		
Finance vacancies and reduced hours	90,000	Vacant posts will be deleted and there will be one voluntary redundancy following a restructure that will take place within the finance team
Revenue collection	26,000	A vacant post will not be filled within the Council Tax collection team
Contact Centre (reduced from £48,000)	20,000	Review of management roles as a result of vacancies
Community Wardens	103,000	The Community Wardens Service are holding four posts vacant giving an under spend of £130,000 while going through a review of the service. A saving on a permanent basis of £103,000 can be made, allowing for overtime
Corporate Support	49,000	The Corporate Support Team had an admin review which has resulted in savings
Stationery contract	10,000	The contract will save £20,000, £10,000 had already been identified in the budget strategy and are shown in the table above
Forward Planning	120,000	The Forward Planning Service has staff savings from vacancies being held pending a Systems Thinking Review.
Corporate Subscriptions	20,000	The cost of the subscription to Gatwick Diamond is being paid by the West Sussex business rates pool, in addition subscriptions have been cancelled as no longer needed
Built Environment	20,000	Reduced running costs
Member National Insurance and training	20,000	There are savings in Council Members National Insurance contributions which are variable due to the make-up of the Members each year, together with a training budget underspend totalling £22,000.
K2 Crawley Gym extension	35,000	Additional income as a result of the extension will be £51,000pa. Proposals for the new design of the K2 Crawley fitness area expansion have led to changes to the Fire Strategy (building escape plan

		etc.). This has resulted in specialist engineers having to review the drawings and prepare a revised design proposal. This delay has led to the initial start date being moved back to avoid January which is always the busiest time of year for the health & fitness area so the income in 2017/18 will be £35,000
Review of running costs as part of the budget monitoring process	54,000	Savings have been identified across different services as part of a review of budgets, this includes finance, people and technology and forward planning and the vehicle workshop
Environmental Health	80,000	A review of the service and its running costs will result in savings of approximately £80,000 Figure presented by Clem and Tony says achievable
Streetscene	25,000	A saving of £25,000 on temporary staffing will be made as a result of reduction in waste due to the systems thinking review of Streetscene
Grants to the voluntary and community sector	30,000	The budget for GTVO is £628,620 in the current financial year. There was an underspend in the last financial year and there is also a reserve of £84,792 for grants contingency.
Total	702,000	

The Group was asked to note these savings

Proposed Council Tax increase

The Group was asked to consider what level of Council Tax increase they may want to recommend that Cabinet consider for 2017/18. As discussed at the last Budget Advisory Group Districts and Boroughs have been given the option to increase to as much as £5 for a Band D property. The table below shows the impact of different changes in the Council Tax increase on the gap.

	2017/18 £'000	2018/19 £'000	2019/20 £'000
1% £1.89 per year	271	904	1,264
1.5% £2.84 per year	239	838	1,161
2% £3.78 a year	206	772	1,058
2.5% £4.77 a year	173	702	950
£5 per year	166	690	938

The group agreed to recommend to Cabinet an increase of 2.5% which is a £4.77 increase per annum (9p per week)

General Fund Revenue Growth Item

The group considered a growth item for the extension of Unison facility time. There was concern expressed that this role had been reduced in 2012 due to a reducing workforce.

The majority of the Group supported the bid and recommended that Cabinet considered this growth bid.

Crawley Homes Capital programme

The Group considered the 3 year capital budgets for Crawley Homes which had been revised as a result of the impact of the 1% rent reduction for each of four years which had previously been approved by Government.

The Group noted these revisions.

General Fund Capital Programme

The Group considered two capital bids totalling £394,000. This is less than previous years, a review of the existing capital programme showed that there are sufficient resources for the cyclical schemes.

The BAG are recommending that Cabinet approves both of the bids including option 1(b) a water source heat pump with Americas Zone included for Tilgate Park.

HRA Major Works Capital Programme

Key Elements	Current 3 Year Plan			Proposed 3 Year Plan		
	2016/17	2017/18	2018/19	2017/18	2018/19	2019/20
	£	£	£	£	£	£
Capitalisation Of Repair Work	300,000	500,000	500,000			
Rewiring	1,000,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Roof Structure (I.E Soffits)	500,000	500,000	500,000	600,000	600,000	600,000
Windows	300,000	300,000	300,000	300,000	300,000	300,000
Structural Works	120,000	80,000	80,000	80,000	80,000	80,000
Renovation And Refurbishment	200,000	200,000	200,000	200,000	200,000	200,000
Insulation	250,000	750,000	750,000	250,000	250,000	250,000
Kitchens	850,000	850,000	850,000	850,000	850,000	850,000
Bathrooms	550,000	550,000	550,000	550,000	550,000	550,000
Common Areas	100,000	120,000	120,000	20,000	20,000	20,000
Sheltered Major Works	250,000	250,000	250,000	50,000	100,000	100,000
Boilers	2,000,000	1,500,000	1,500,000	1,800,000	1,800,000	1,800,000
Legionella	150,000	50,000	50,000	50,000	50,000	50,000
151 London Road (New Build)	50,000	200,000		200,000		
Energy Efficiency- Lighting	80,000	80,000	80,000	80,000	80,000	80,000
External Environmental Work	100,000	100,000	100,000	100,000	100,000	100,000
Intercom Upgrade	195,000	50,000	50,000	50,000	50,000	50,000
Major Insulation Energy Efficcy	1,250,000	2,800,000	1,800,000	2,800,000	1,800,000	1,800,000
Hostels	280,000	500,000	50,000	750,000	500,000	250,000
Ren Con Studio Flats Blocks	200,000	200,000	200,000	100,000	100,000	100,000
Garages	700,000	750,000	750,000	200,000	200,000	200,000
Adaptations For The Disabled	300,000	300,000	300,000	300,000	300,000	300,000
Disabled Adaptations-Mjr Room	900,000	900,000	900,000	950,000	950,000	950,000
Total HRA Improvements	10,625,000	12,730,000	11,080,000	11,480,000	10,080,000	9,830,000
Acquisitions Of Land		1,000,000	500,000			
Purchase Of Properties		2,000,000	1,000,000	2,000,000	1,000,000	1,000,000
Total Investment Needed	10,625,000	15,730,000	12,580,000	13,480,000	11,080,000	10,830,000
Revenue - External Decorations	2,000,000	600,000	600,000	1,000,000	200,000	2,000,000
Revised Investment Needed	12,625,000	13,330,000	11,680,000	12,480,000	10,280,000	11,830,000

CAPITAL BIDS

Ref		2017/18 £'000	2018/19 £'000	2019/20 £'000	Future Years	Total £'000
A	IT Future Projects Fund	145				145
B	Sustainable Heating Supply Tilgate Park & Nature Centre 'Spend to Save'	249				249
	Total value of bids	394				394

Criteria as agreed in the Budget Strategy

The need for upkeep of the Council's assets,
be spend to save or spend to earn,
to meet the Council's environmental obligations.

Savings already identified in Budget Strategy.

	2017/18 £'000
<u>Savings / Efficiencies</u>	£'000
Investment property	-507
Members Allowances	-10
Green Garden Waste additional income	-20
Recycling support	-30
Building control	-40
Property rental – town hall	-30
Benefits restructure – systems thinking review	-100
Recycling education officer	-14
Democratic Services admin	-5
Interest receivable of shared equity properties	-96
Mobile phone contract savings	-30
Stationery contract savings	-10
Commercial property income	-75
Feed-in Tariff income	-40
Total identified in the Budget Strategy	-1,007

Appendix 2

GENERAL FUND REVENUE BUDGET 2017/2018 Summary of Service Requirements

2016/17		2017/18	
Original Estimate £		Original Estimate £	Variation £
1,436,740	Cabinet	1,434,962	(1,778)
1,573,400	Public Protection & Community Engagement	1,594,651	21,251
1,286,490	Resources	1,129,277	(157,213)
5,983,520	Environmental Services & Sustainability	5,917,429	(66,091)
3,275,020	Housing Services	3,131,165	(143,855)
6,761,160	Wellbeing	7,098,263	337,103
(2,142,000)	Planning & Economic Development	(2,560,645)	(418,645)
(2,984,110)	Depreciation	(3,425,160)	(441,050)
400,000	Contribution to Renewals Fund	400,000	0
15,590,220	NET COST OF SERVICES	14,719,942	(870,278)
(1,117,520)	Interest on Balances	(645,012)	472,508
14,472,700		14,074,930	(397,770)
431,634	Transfer to / from () reserves	0	(431,634)
14,904,334	NET EXPENDITURE	14,074,930	(829,404)
	External Support		
(1,775,734)	Revenue Support Grant	(1,036,391)	739,343
(1,880,562)	New Homes Bonus	(1,431,861)	448,701
	Internal Resources		
(4,861,045)	Total Retained Business Rates	(4,983,571)	(122,526)
(6,315,656)	Council Tax	(6,576,695)	(261,039)
(71,337)	Collection Fund Surplus	(47,413)	23,924
(14,904,334)		(14,074,930)	828,404

	2016/17	2017/18
Number of Band D Equivalents	33,368.5	33,893.5
Number of properties	43,505	44,151

Appendix 3

HOUSING REVENUE ACCOUNT

	Original Budget 2016/17	Budget 2017/18	Variation
	£'000s	£'000s	£'000s
<u>Income</u>			
Rental Income	(45,028)	(44,708)	320
Other Income	(2,456)	(2,113)	343
Interest	(77)	(79)	(2)
Total Income (a)	(47,561)	(46,900)	661
<u>Expenditure</u>			
Employees	3,618	3,510	(108)
Responsive Repairs	7,581	8,083	501
Cyclical and Planned	3,761	2,800	(961)
Other running Costs	1,904	1,898	(6)
Managed services	448	328	(120)
Support Services	2,645	2,650	5
Interest payable on Self Financing Debt	8,309	8,309	0
Total Expenditure (b)	28,266	27,577	(689)
Balance available to fund existing and future HRA capital programme (a - b) *	19,296	19,323	27
Total	47,561	46,900	(661)

*Transferred to Housing capital investment reserve

Appendix 3 (i)

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

	2017/18	2018/19	2019/20
	£000's	£000's	£000's
Total Investment needed excluding Future Developments as appendix 1 (i)	13,480	11,080	10,830
Other HRA investment schemes			
Kilnmead	3,628	2,000	
Southern Counties housing	2,667	7,998	
Telford Place Development	570	5,700	5,667
Woolborough Road Northgate	1,143	657	
Goffs Park (Depot Site)	4,000	3,386	
83-87 Three Bridges Road	2,399		
Dobbins Place	1,157	189	
Barnfield Road	850		
Forge Wood	6,809	4,517	
257/259 Ifield Road	500	760	
Prelims	95	400	
Total Future Developments	23,818	25,607	6,372,000
HRA Improvements Slippage identified at Q3	170		
Total Investment Required including Future Developments	37,468	36,687	16,497
HRA Existing Programme (as per Q3 report)	39,718	38,187	5,667
Adjustment in Budget Required (see paragraph 11.5)	(2,250)	(1,500)	10,830

Appendix 4

COUNCIL TAX 2017/18 PER BAND CRAWLEY ELEMENT					
PROPERTY BAND	BAND RATIO	PROPERTY VALUATION IN 1991	NUMBER OF PROPERTIES IN RANGE	AMOUNTS PER BAND PROPOSED	
				2017/18	2016/17
				£	£
A	6/9	Under £40,000	1,091	129.36	126.18
B	7/9	£40,000 - £52,000	6,813	150.92	147.21
C	8/9	£52,000 - £68,000	21,305	172.48	168.24
D	9/9	£68,000 - £88,000	8,532	194.04	189.27
E	11/9	£88,000 - £120,000	3,740	237.16	231.33
F	13/9	£120,000 - £160,000	2,196	280.28	273.39
G	15/9	£160,000 - £320,000	465	323.40	315.45
H	18/9	above £320,000	9	388.08	378.54
TOTAL			44,151		

Risks

Risk and Potential Impact	How Risk Will Be Managed including Probability of Occurrence
<p>1. Budget Gap future years As outlined in the report, a budget gap of £0.7m has been projected for 2018/19. This is an early projection and the actual gap could be larger. Unless this gap is addressed it could threaten the medium-term financial strategy.</p>	<p>CMT and Members will be determining an approach to dealing with this gap which will be continued to be addressed through the transformation programme. There is an adequate General Fund reserve to be able to cover a shortfall in the short term.</p>
<p>2. Continued low interest rates (section 9 refers). Investment income less than the budget could result in a significant budget shortfall.</p>	<p>Investment rates are monitored daily to ensure that the Council obtains the best returns whilst achieving its objective of maintaining an appropriate balance between security, liquidity and yield and ethical. The investment income budget is monitored monthly.</p>
<p>3. New Homes Bonus consultation</p>	<p>The impact of moving from 6 years to 4 has been included in future projections. The Government is retaining the right to adjust the baseline in future should there be a housing boom, this could impact upon the accuracy of future projections.</p>
<p>4. New Business Rates valuation list due from 1 April 2017. There will be no history of appeals to calculate a provision, so there is a risk that this is over/under provided for causing a volatility in the business rates retained over the lifetime of the valuation list.</p>	<p>There is a high probability of occurrence which can be managed through the use of the business rates equalisation reserve.</p>
<p>5. Increase in net costs to the Council as a result of changes to demand-led budgets. Provision in the 2017/18 Budget has been based on the latest available information. For example, an economic slowdown, changes in housing policy and welfare reform could mean that there are changes in demand</p>	<p>Provision in the 2017/18 Budget has been based on the latest available information but there could still be a significant change in demand as a result of external factors outside the control of the Council. This could affect either expenditure or income budgets; budgets such as Commercial Properties, Housing Benefits, Council Tax Reductions, Homelessness, Car Parking and Planning Fees will be monitored closely. The Council has sufficient reserves to cover unexpected overspendings.</p>
<p>6. Reduction in availability of capital resources in future years.</p>	<p>A review of available capital resources will be undertaken as part of the July</p>

<p>This would lead to a reduced capital programme and the likelihood of reduced investment income.</p>	<p>Budget Strategy report; the report will also consider the required level of investment income to support the revenue budget. It will be important to generate new capital receipts to fund future capital programmes. There is a report elsewhere in this Agenda that considers borrowing in order to invest in future projects which will realise additional income to the council.</p>
<p>7. Failure to collect income. The Council is responsible for collecting annual income totalling almost £300 million. The economic climate could result in a reduction in collection rates, as could any delay in the Council approving the Budget and Council Tax levels.</p>	<p>There will be regular monitoring of debts and performance levels. The Council has good collection rates for Council Tax, NNDR and Housing Rents; these are the most significant areas of income. The welfare reforms will have an impact on Crawley Homes' rental income. This has been reflected in the HRA budgets</p>
<p>8. Failure to maintain budgetary and financial control.</p>	<p>Variances between Quarter 3 and final outturn should be kept to a minimum. There will be regular monitoring and reporting by budget holders and reports to CMT, the Cabinet and through the Members Information Bulletin. It is inevitable that variances will occur but it is important that any projected variances are reported promptly to the Cabinet.</p>
<p>9. The initiatives to mitigate the impact of high demand on the homelessness service may not be sufficient to avoid overspending the budget</p>	<p>The initiatives are being well researched, and their success will be regularly monitored. This budget will be regularly monitored during 2017/18 with future budgets adjusted to mitigate the impact. There is an adequate General Fund reserve to be able to cover a shortfall in the short term.</p>
<p>10. Impact of Housing and Planning Act on the HRA 30 year plan</p>	<p>High value assets sale – the detail is not yet available as this has been postponed to 2018/19. There is uncertainty as to when this will happen, there are pilots taking place for Right to Buy for tenants with Registered Social Landlords, these are being funded by the Government. Future investment plans will be adjusted to take the impact into consideration the impact once we know the details.</p>
<p>11. The Impact of the decision to leave the EU; there are lots of unknowns around demands on services and income budgets, also Government priorities beyond 2020 once the four year Settlement Financial is over .</p>	<p>The impact of the implications of the decision will be closely monitored and changes will be made to forecasts which will be reported to CMT and to Members through Cabinet and the Members Information Bulletin.</p>

Crawley Borough Council Pay Policy Statement for 2017/18

Introduction

The Council is committed to a fair, equitable and transparent pay policy which recognises and rewards good performance at all levels in the organisation. The terms and conditions of Council employees are in accordance with the relevant national negotiating bodies which are:

Chief Executive	Joint Negotiating Committee for Local Authority Chief Executives
Chief Officers	Joint Negotiating Committee for Chief Officers of Local Authorities (this covers Deputy Chief Executive & Heads of Service)
All other staff	National Joint Council for Local Government Services

Key Elements of the Pay Package

The most significant element of the pay and benefit package is basic pay. A substantial pay review was undertaken in 2001/2, and the national scheme for job evaluation was adopted for all posts. This was undertaken in partnership with the trade unions, and was implemented successfully. Incremental pay scales were established for all posts, including Chief Officers, as part of this process. Progress within the scales occurs annually, subject to satisfactory performance. Annual cost of living increases are negotiated nationally.

In addition to basic pay there is a local flat rate payment entitled Crawley Allowance which is paid to all staff and is increased each year in line with RPI.

Enhanced rates for scales A-E were also agreed locally in 2011/12 following the Chancellor of the Exchequer's commitment to low paid staff in the 2010 Autumn Budget Statement.

A local pay agreement was implemented in October 2013 for all Community Services staff to ensure consistent payment of allowances for evening, weekend and bank holiday working.

A review of senior management took place at the end of 2014/15 which led to the deletion of Director posts. The salary scales for these roles were deleted. A new post of Deputy Chief Executive was created and a locally agreed grade was created for this role. The details are shown in the attached salary scales.

A review of the Job Evaluation Scheme was carried out in 2016 in consultation with the trade union. A further grade was created at the top of the staff salary scale. This was agreed in recognition of the increased level of responsibility at third tier management level following the review of senior management in 2014/15.

New employees will normally be appointed to the first point of the salary scale for their grade. There is discretion to increase this within the scale where the candidate is currently earning a higher salary or operating at a level commensurate with a higher salary.

The Section 151 Officer, the Monitoring Officer and their deputies are also paid locally agreed allowances which are increased in line with national pay awards.

All salary scales and the Local Pay Agreement are attached.

- Chief Officers salary scale
- Staff salary scale
- Local Pay Agreement
- Apprenticeships salary scale

Other Financial Benefits

- Discretionary reimbursement of a proportion of relocation expenses (including contribution to professional and removal fees, disturbance allowance and interim arrangements up to a maximum of £8,000.)
- Recruitment Incentive Scheme for hard to recruit posts
- Payment of professional fees where they are an essential requirement of the job
- Essential and casual car user allowances at NJC rates but subject to local criteria
- Loans for car purchase and public transport season tickets
- Free parking at the Town Hall for essential car users
- Salary sacrifice schemes for child care vouchers and bike to work available
- Salary sacrifice scheme for parking is in place but will cease for new applications from 6.4.17. The scheme will close on 31.3.18 in line with new HMRC rules
- Voluntary Benefits scheme allowing access to a range of retail discounts for all staff
- Access to the Local Government Pension Scheme including local discretions
- Redundancy compensation at the rate of 2 weeks actual salary for each year of service up to a maximum of 104 weeks plus access to pension for staff over the age of 55. This will be reviewed in order to comply with the Government's proposed further reforms to exit payments when these are introduced.
- In exceptional circumstances other severance arrangements may be agreed. Any such payments will be subject to the agreement of the Chief Executive, Leader, Cabinet Member for Resources and Head of Legal and Democratic Services. The payment will take into account the Council's contractual and legal obligations, value for money, reputation of the Council and goodwill towards the employee. In the event of the Chief Executive being the subject of the payment then the Section 151 Officer would replace the Chief Executive in the authorisation process.
- All exit payments will be subject to compliance with the proposed Public Sector Exit Payment Regulations when these are introduced.

Chief Officers are subject to the same pay arrangements as all other staff and do not receive bonuses or performance related pay. The Chief Executive is appointed as Returning Officer for Crawley. The pay for this role is determined nationally for national elections, and for local elections the scale is set jointly by the West Sussex local authorities. The Chief Executive may appoint a Deputy Returning Officer to assist with this process whose pay will be determined in the same way.

Lowest Paid Employees

All staff are paid within relevant nationally negotiated salary scales and the lowest paid staff will be on spinal column point 6 for which the annual salary inclusive of Crawley Allowance is £17,278. There is a pay ratio of 1/6.6 between these posts and the top point of the scale for the Chief Executive. The Council feels that this is acceptable and is well within the Government's recommended pay ratio which is 1/20. There are a small number of apprentices who spend a significant amount of their time in training and are employed on a training contract at a locally agreed rate of 60% of Scale A.

The Council recognises the importance of the living wage and is accredited by the Living Wage Foundation. All staff, apart from apprentices, are paid above the living wage rate of £8.45 per hour.

Re-employment

Where an employee has left the authority on the grounds of redundancy and then seeks to be re-employed on a new contract, a period of 3 months must elapse before their application will be considered. They will have lost their entitlement to continuous service and abatement rules will apply if they are in receipt of a pension as a result of that redundancy.

Relationship between remuneration of Chief Executive and other employees

The median average salary of employees is £24665 per annum. The pay ratio between this and the Chief Executive's salary is 1:4.6

Any changes to the pay policy will be subject to agreement by Cabinet and Council. An updated pay policy statement will be issued each year.

Gender Pay Gap

The government are introducing a requirement for all employers of 250 employees or more to report on the gender pay gap. The first report must be published before 30th April 2018. The Council already reports on this data and our pay gap for all staff in 2015/16 was 2.5%. The national figure for full time workers is 13.9%.

Lucasta Grayson
Head of People & Technology
13th January 2017

**CMT Pay scales
W.E.F 01/04/16**

CATEGORY	TOTAL
CHIEF EXECUTIVE	£113,350 £110,839 £108,330 £105,816 £103,298
DEPUTY CHIEF EXECUTIVE	£98,603 £96,426 £94,252 £92,071 £89,889
HEAD OF SERVICE A FINANCE, REVS & BENS LEGAL & DEMOCRATIC SERVICES	£65,564 £64,122 £62,691 £61,247 £59,810
HEAD OF SERVICE B ECONOMIC & ENVIRONMENTAL SERVICES COMMUNITY SERVICES STRATEGIC HOUSING & PLANNING SERVICES CRAWLEY HOMES PARTNERSHIP SERVICES PEOPLE & TECHNOLOGY	£69,888 £68,353 £66,822 £65,286 £63,756

STATUTORY RESPONSIBILITY ALLOWANCE

SECTION 151 OFFICER	£3,217.45
MONITORING OFFICER	£3,217.45
DEPUTY MONITORING OFFICER	£1,608.72
DEPUTY SECTION 151 OFFICER	£1,608.72

SCALES FROM 1ST DEC 2016

Scale	Spinal point	Annual salary
B	6	£17,278
	7	£17,375
	8	£17,524
	9	£17,724
C	10	£17,986
	11	£18,244
	12	£18,560
	13	£18,927
D	14	£19,217
	15	£19,507
	16	£19,904
	17	£20,282
E	18	£20,626
	19	£21,295
	20	£21,973
	21	£22,674
F	22	£22,929
	23	£23,530
	24	£24,218
	25	£24,907
G	26	£25,639
	27	£26,408
	28	£27,190
	29	£28,167
H	30	£29,029
	31	£29,867
	32	£30,676
	33	£31,506
I	34	£32,327
	35	£32,953
	36	£33,761
	37	£34,637
J	38	£35,579
	39	£36,669
	40	£37,566
	41	£38,492
K	42	£39,410
	43	£40,331
	44	£41,262
	45	£42,133
L	46	£43,092
	47	£44,024
	48	£44,947
	49	£45,860
M	50	£46,783
	51	£47,718
	52	£48,653
	53	£49,598
N	54	£50,541
	55	£51,502
	56	£52,483
	57	£53,483

Apprenticeship scheme salary W.E.F. 1.10.2016

Percentage of spinal point 6	Annual Salary
60%	£10,366.80
65%	£11,230.70
70%	£12,094.60
75%	£12,958.50
NMW	£13,408.52
National Living wage	£13,890.84

Crawley Borough Council

Report to Overview and Scrutiny Commission 6 February 2017

2

Report to Cabinet 8 February 2017

Treasury Management Strategy 2017/2018

Report of the Head of Finance, Revenues and Benefits, **FIN/404**

1. Purpose

1.1 The Strategy for 2017/18 covers two main areas:

Capital Issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury Management Issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

1.2 In respect of non-Housing Revenue Account activities, the Council's current policy is to remain debt free and invest according to the principles of security, liquidity and yield.

1.3 There are no material changes to the Investment Strategy in section 7 and Appendix 3 compared with the 2016/2017 Strategy, as amended by the 2016/2017 [Treasury Management Mid-Year Review](#).

2. Recommendations

2.1 To the Overview and Scrutiny Commission:

That the Commission considers the report and decides what comments, if any, it wishes to submit to the Cabinet.

2.2 To the Cabinet

The Cabinet is requested to recommend to Council the approval of:-

- a) the Treasury Prudential Indicators and the Minimum Revenue Provision (MRP) Statement contained within Section 5;
- b) the Treasury Management Strategy contained within Section 6;
- c) the Investment Strategy contained within Section 7, and the detailed criteria included in Appendix 3;

3. Reasons for the Recommendations

- 3.1 The Council's financial regulations, in accordance with the CIPFA Code of Practice for Treasury Management, requires a Treasury Management Strategy to be approved for the forthcoming financial year. This report complies with these requirements.

4. Background

- 4.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

- 4.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

- 4.3 CIPFA defines treasury management as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 4.3 This report takes into account the revenue and capital implications arising in the 2017/18 Budget and Council Tax report (FIN/401). This report excludes any implications of the Town Hall report elsewhere on this agenda, the implications of this report will be reported in a future Treasury Management report.

5. The Capital Prudential Indicators 2017/18 – 2019/20

5.1 The Capital Expenditure Plans

- 5.1.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.
- 5.1.2 **Capital expenditure.** This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital Expenditure £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Cabinet	757	2,033	3,149	2,971	
Resources	368	637	237		
Environment Services & Sustainability	1,761	1,349	2,036	1,497	94
Planning & Economic Development	16	7,899	5,000	1,700	
Public Protection & Community Engagement	42	89	50	70	
Housing Services	2,314	1,022	881	1,996	
Wellbeing	2,948	3,168	2,548	272	
General Fund	8,206	16,197	13,901	8,506	94
HRA	20,788	14,707	37,468	39,467	25,932
Total	28,994	30,904	51,369	47,973	26,026

5.1.3 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital Expenditure £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
General Fund	8,206	16,197	13,901	8,506	94
HRA	20,788	14,707	37,468	39,467	25,932
Total	28,994	30,904	51,369	47,973	26,026
Financed by:					
Capital receipts	3,309	4,919	12,551	8,419	
Capital reserves	198	7,899			
1-4-1 receipts	3,160	1,339	5,217	8,773	4,531
Replacement funds	728	453	23	87	
Capital grants	2,732	2,695	1,327		94
Major Repairs Reserve	18,482	13,599	32,251	30,694	21,401
Net financing need for the year	385	0	0	0	0

5.2 The Council's borrowing need (the Capital Financing Requirement).

5.2.1 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

5.2.2 The Council is asked to approve the CFR projections below:

£'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Capital Financing Requirement					
CFR – General Fund	0	0	0	0	0
CFR - HRA	260,325	260,325	260,325	260,325	260,325
Total CFR	260,325	260,325	260,325	260,325	260,325
Movement in CFR	385	0	0	0	0

Movement in CFR represented by					
Net financing need for the year (above)	0	0	0	0	0
Less MRP/VRP and other financing movements	385	0	0	0	0
Movement in CFR	385	0	0	0	0

5.2.3 The large CFR on the HRA is due to the self-financing settlement in 2011/12.

5.3 Minimum revenue provision (MRP) policy statement

5.3.1 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

5.3.2 Government regulations have been issued which require the full Council to approve an **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

5.3.3 For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in former CLG regulations (option 1)

This option provides for an approximate 4% reduction in the borrowing need (CFR) each year.

5.3.4 From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3)

This option provides for a reduction in the borrowing need over approximately the asset's life.

5.3.5 There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

5.4 Core funds and expected investment balances

5.4.1 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Fund balances / reserves	58,108	54,982	42,031	30,637	28,536
Capital receipts*	39,689	41,347	31,079	20,887	20,856
Total core funds	97,797	96,329	73,110	51,524	49,392
Working capital	20,166	11,730	10,000	10,000	10,000
Under/over borrowing	0	0	0	0	0
Expected investments	117,963	108,059	83,110	62,524	59,392

* includes 1-4-1 receipts

5.5 Affordability prudential indicators

5.5.1 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

5.5.2 **Ratio of financing costs to net revenue stream.** This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
General Fund	-4.51%	-3.97%	-5.27%
HRA	17.59%	17.36%	17.26%

The estimates of financing costs include current commitments and the proposals in this budget report.

5.5.3 **Incremental impact of capital investment decisions on council tax.** This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

£	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Council tax - band D	nil	nil	nil

5.5.4 **Estimates of the incremental impact of capital investment decisions on housing rent levels.** Similar to the council tax calculation, this indicator identifies the trend in the cost of proposed changes in the housing capital programme recommended in this budget report compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

£	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Weekly housing rent levels	nil	nil	nil

This indicator shows the revenue impact on any newly proposed changes, although any discrete impact will be constrained by rent controls.

5.5.5 HRA ratios

	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
HRA debt £'000	260,325	260,325	260,325	260,325	260,325
HRA revenues £'000	48,571	47,651	46,900	47,747	48,052
Ratio of debt to revenues %	536	546	555	545	542

	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
HRA debt £'000	260,325	260,325	260,325	260,325	260,325
Number of HRA dwellings	7,854	7,840	7,866	8,073	8,078
Debt per dwelling £	33,145	33,205	33,095	32,246	32,226

6. Borrowing

6.1 The capital expenditure plans set out in Section 5 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

6.2 Current portfolio position

6.2.1 The Council's treasury portfolio position at 31 March 2016, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
External Debt					
Debt at 1 April	260,325	260,325	260,325	260,325	260,325
Expected change in Debt	0	0	0	0	0
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Actual debt at 31 March (A)	260,325	260,325	260,325	260,325	260,325
The Capital Financing Requirement	260,325	260,325	260,325	260,325	260,325
Under / (over) borrowing	0	0	0	0	0

6.2.2 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the

Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

6.2.3 The Head of Finance, Revenues and Benefits reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

6.3 Treasury Indicators: Limits to Borrowing Activity

6.3.1 **The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Operational boundary £'000	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt	260,325	260,325	260,325	260,325
Other long term liabilities	0	0	0	0
Total	260,325	260,325	260,325	260,325

6.3.2 **The Authorised Limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

6.3.3 This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Councils' plans, or those of a specific council, although this power has not yet been exercised.

6.3.4 The Council is asked to approve the following Authorised Limit:

Authorised limit £'000	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt	270,325	270,325	270,325	270,325
Other long term liabilities	0	0	0	0
Total	270,325	270,325	270,325	270,325

6.3.5 Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

HRA Debt Limit £'000	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
HRA debt cap	263,902	263,902	263,902	263,902
HRA CFR	260,325	260,325	260,325	260,325
HRA headroom	3,577	3,577	3,577	3,577

6.4 Prospects for Interest Rates

6.4.1 The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives Capita's central view.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB rate	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

6.4.2 Investment returns are likely to remain relatively low during 2017/18 and beyond.

6.4.3 There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

6.5 Borrowing Strategy

6.5.1 The Council borrowed £260.325m in 2011/12 for the HRA self-financing settlement. The General Fund remains debt free, and this position is not expected to change during 2017/18.

6.5.2 Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

6.5.3 The Council is asked to approve the following treasury indicators and limits:

£'000	2017/18	2018/19	2019/20
Interest rate Exposures			
	Upper	Upper	Upper
Limits on fixed interest rates:			
• Debt only	270,325	270,325	270,325
• Investments only	140,000	140,000	140,000
Limits on variable interest rates			
• Debt only	10,000	10,000	10,000
• Investments only	40,000	40,000	40,000

Maturity Structure of fixed interest rate borrowing 2017/18		
	Lower	Upper
Under 12 months	0%	10%
12 months to 2 years	0%	10%
2 years to 5 years	0%	10%
5 years to 10 years	0%	30%
10 years to 20 years	0%	80%
20 years to 30 years	0%	15%
30 years to 40 years	0%	10%
40 years to 50 years	0%	10%

6.6 Policy on borrowing in advance of need

6.6.1 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

6.6.2 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

6.7 Debt rescheduling

6.7.1 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

6.7.2 The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

6.7.3 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

6.7.4 All rescheduling will be reported to the Cabinet, at the earliest meeting following its action.

7. Annual Investment Strategy

7.1 Investment Policy

7.1.1 The Council's investment policy has regard to the Government's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second and then return.

7.1.2 In accordance with the above guidance from the Government and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit

criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

7.1.3 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

7.1.4 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

7.1.5 Investment instruments identified for use in the financial year are listed in Appendix 3 under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Council’s treasury management practices – schedules.

7.2 Creditworthiness policy

7.2.1 This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody’s and Standard and Poor’s. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

7.2.2 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years *
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

	Colour (and long term rating where applicable)	Money Limit	Time Limit
Banks *	yellow	unlimited	5 yrs
Banks	purple	£15m	2 yrs
Banks – part nationalised	blue	£15m	1 yr
Banks	orange	£10m	1 yr
Banks	red	£10m	6 mths
Banks	green	£10m	100 days
Banks	No colour	Not to be used	
Limit 3 category – Council's banker (not meeting Banks 1)	n/a	£1m	1 day
Corporate Bonds	AA-	£5m	2 yrs
	A-	£2m	1 yr
Repurchase agreements	AA	£5m	5 yrs
DMADF	AAA	unlimited	6 months
Local authorities	n/a	£15m	5 yrs
Housing Associations	AA-	£2m	1 yr
Money market funds	AAA	£15m	liquid
Enhanced money market funds with a credit score of 1.25	Dark pink / AAA	£10m	liquid
Enhanced money market funds with a credit score of 1.5	Light pink / AAA	£10m	liquid

** Please note: the yellow colour category is for UK Government debt, or its equivalent, constant NAV money market funds and collateralised deposits where the collateral is UK Government debt.*

7.2.3 Capita's creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

7.2.4 Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of short term rating F1, long term rating A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

7.2.5 All credit ratings will be monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of Capita's creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

7.2.6 Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

7.3 Ethical Investment Policy

7.3.1 The Council will not undertake direct investment or borrowing activities with organisations whose core activities include:

- Armaments – weapon systems
- Gambling
- Pornography
- Tobacco
- Pay-day loans

7.3.2 In order to comply with treasury management guidance, the Council's investments will prioritise security, liquidity and yield in that order. The Ethical Investment Policy thereby becomes a fourth consideration in the decision making process.

7.3.3 The core activities in the Ethical Investment Policy above has been chosen after careful consideration of the Policy direction of the administration, the officer time in implementing the policy, the cost of external resources, and the timeliness of investment decisions.

7.4 Country limits

7.4.1 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 4. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

7.5 Investment strategy

7.5.1 **In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

7.5.2 **Investment returns expectations.** Bank Rate is forecast to stay flat at 0.25% until quarter 2 2019 and not rise above 0.75% by quarter 1 2020. Bank Rate forecasts for financial year ends (March) are:

- 2016/17 0.25%
- 2017/18 0.25%
- 2018/19 0.25%
- 2019/20 0.50%

7.5.3 The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows:

2017/18	0.25%
2018/19	0.25%
2019/20	0.50%
2020/21	0.75%
2021/22	1.00%
2022/23	1.50%
2023/24	1.75%
Later years	2.75%

7.5.4 The overall balance of risks to these forecasts is currently probably slightly skewed to the downside in view of the uncertainty over the final terms of Brexit. If growth expectations disappoint and inflationary pressures are minimal, the start of increases in Bank Rate could be pushed back. On the other hand, should the pace of growth quicken and / or forecasts for increases in inflation rise, there could be an upside risk i.e. Bank Rate increases occur earlier and / or at a quicker pace.

7.5.5 **Investment treasury indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	2017/18	2018/19	2019/20
Principal sums invested > 364 days	£50m	£50m	£50m

7.5.6 **Investment Risk Benchmarking.** These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the Mid-Year or Annual Report.

7.5.7 Security - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- **0.15% historic risk of default when compared to the whole portfolio.**

7.5.8 Liquidity – in respect of this area the Council seeks to maintain:

- Bank overdraft - £0.1m
- Liquid short term deposits of at least £2m available with a week's notice.
- Weighted Average Life benchmark is expected to be 0.7 years, with a maximum of 1.20 years.

7.5.9 Yield - local measures of yield benchmarks are:

- Investments – internal returns 0.2% above the 7 day LIBID rate

7.5.10 And in addition that the security benchmark for each individual year is:

	1 year	2 years	3 years	4 years	5 years
Maximum	0.03%	0.22%	0.40%	0.56%	0.74%

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

7.5.11 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

7.6 Treasury management consultants

7.6.1 The Council uses Capita Asset Services, Treasury solutions as its external treasury management advisors.

7.6.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external service providers.

7.6.3 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

8. Implications

8.1 There are no significant legal implications as a result of the recommendations in this report. Compliance with the CIPFA Code of Practice for Treasury Management in the public services, the Local Government Investment Guidance provides that the council's investments are and will continue to be, within its legal powers conferred under the Local Government Act 2003.

9. Background Papers

[Treasury Management Strategy for 2016/2017 – Cabinet, 10 February 2016 \[report FIN/381 refers\].](#)

[Treasury Management Mid-Year Review 2016/2017 – Cabinet, 30 November 2016 \[report FIN/396 refers\].](#)

2017/2018 Budget and Council Tax – Cabinet, 8 February 2017 [report FIN/401 refers].

“Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes”, 2011 Edition – Chartered Institute of Public Finance and Accountancy.

“The Prudential Code for Capital Finance in Local Authorities”, 2011 Edition – Chartered Institute of Public Finance and Accountancy.

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Appendix 1: Interest Rate Forecasts 2017 – 2020

PWLB rates and forecast shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

Capita Asset Services Interest Rate View													
	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank Rate View	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
3 Month LIBID	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.40%	0.50%	0.60%	0.70%	0.80%	0.90%
6 Month LIBID	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.50%	0.60%	0.70%	0.80%	0.90%	1.00%
12 Month LIBID	0.70%	0.70%	0.70%	0.70%	0.70%	0.80%	0.80%	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%
5yr PWLB Rate	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB Rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB Rate	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB Rate	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
Bank Rate													
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.50%
5yr PWLB Rate													
Capita Asset Services	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
Capital Economics	1.60%	1.70%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%	2.50%	2.70%	2.80%	2.90%	3.00%
10yr PWLB Rate													
Capita Asset Services	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
Capital Economics	2.40%	2.40%	2.50%	2.60%	2.60%	2.70%	2.70%	2.80%	2.90%	3.10%	3.20%	3.30%	3.40%
25yr PWLB Rate													
Capita Asset Services	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
Capital Economics	2.95%	3.05%	3.05%	3.15%	3.25%	3.25%	3.35%	3.45%	3.55%	3.65%	3.75%	3.95%	4.05%
50yr PWLB Rate													
Capita Asset Services	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
Capital Economics	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.40%	3.60%	3.70%	3.80%	3.90%

APPENDIX 2: Economic Background

UK. GDP growth rates in 2013, 2014 and 2015 of 2.2%, 2.9% and 1.8% were some of the strongest rates among the G7 countries. Growth is expected to have strengthened in 2016 with the first three quarters coming in respectively at +0.4%, +0.7% and +0.5%. The latest Bank of England forecast for growth in 2016 as a whole is +2.2%. The figure for quarter 3 was a pleasant surprise which confounded the downbeat forecast by the Bank of England in August of only +0.1%, (subsequently revised up in September, but only to +0.2%). During most of 2015 and the first half of 2016, the economy had faced headwinds for exporters from the appreciation of sterling against the Euro, and weak growth in the EU, China and emerging markets, and from the dampening effect of the Government's continuing austerity programme.

The **referendum vote for Brexit** in June 2016 delivered an immediate shock fall in confidence indicators and business surveys at the beginning of August, which were interpreted by the Bank of England in its August Inflation Report as pointing to an impending sharp slowdown in the economy. However, the following monthly surveys in September showed an equally sharp recovery in confidence and business surveys so that it is generally expected that the economy will post reasonably strong growth numbers through the second half of 2016 and also in 2017, albeit at a slower pace than in the first half of 2016.

The **Monetary Policy Committee, (MPC), meeting of 4th August** was therefore dominated by countering this expected sharp slowdown and resulted in a package of measures that included a cut in Bank Rate from 0.50% to 0.25%, a renewal of quantitative easing, with £70bn made available for purchases of gilts and corporate bonds, and a £100bn tranche of cheap borrowing being made available for banks to use to lend to businesses and individuals.

The **MPC meeting of 3 November** left Bank Rate unchanged at 0.25% and other monetary policy measures also remained unchanged. This was in line with market expectations, but a major change from the previous quarterly Inflation Report MPC meeting of 4 August, which had given a strong steer, in its forward guidance, that it was likely to cut Bank Rate again, probably by the end of the year if economic data turned out as forecast by the Bank. The MPC meeting of 15 December also left Bank Rate and other measures unchanged.

The latest MPC decision included a forward view that **Bank Rate** could go either up or down depending on how economic data evolves in the coming months. Our central view remains that Bank Rate will remain unchanged at 0.25% until the first increase to 0.50% in quarter 2 2019 (unchanged from our previous forecast). However, we would not, as yet, discount the risk of a cut in Bank Rate if economic growth were to take a significant dip downwards, though we think this is unlikely. We would also point out that forecasting as far ahead as mid 2019 is highly fraught as there are many potential economic headwinds which could blow the UK economy one way or the other as well as political developments in the UK, (especially over the terms of Brexit), EU, US and beyond, which could have a major impact on our forecasts.

The pace of Bank Rate increases in our forecasts has been slightly increased beyond the three year time horizon to reflect higher inflation expectations.

The August quarterly Inflation Report was based on a pessimistic forecast of near to zero GDP growth in quarter 3 i.e. a sharp slowdown in growth from +0.7% in quarter 2, in reaction to the shock of the result of the referendum in June. However, **consumers** have very much stayed in a 'business as usual' mode and there has been no sharp downturn in spending; it is consumer expenditure that underpins the services sector which comprises about 75% of UK GDP. After a fairly flat three months leading up to October, retail sales in October surged at the strongest rate since September 2015 and were again strong in

November. In addition, the GfK consumer confidence index recovered quite strongly to -3 in October after an initial sharp plunge in July to -12 in reaction to the referendum result. However, in November it fell to -8 indicating a return to pessimism about future prospects among consumers, probably based mainly around concerns about rising inflation eroding purchasing power.

Bank of England GDP forecasts in the November quarterly Inflation Report were as follows, (August forecasts in brackets) - 2016 +2.2%, (+2.0%); 2017 1.4%, (+0.8%); 2018 +1.5%, (+1.8%). There has, therefore, been a sharp increase in the forecast for 2017, a marginal increase in 2016 and a small decline in growth, now being delayed until 2018, as a result of the impact of Brexit.

Capital Economics' GDP forecasts are as follows: 2016 +2.0%; 2017 +1.5%; 2018 +2.5%. They feel that pessimism is still being overdone by the Bank and Brexit will not have as big an effect as initially feared by some commentators.

The Chancellor has said he will do 'whatever is needed' i.e. to **promote growth**; there are two main options he can follow – fiscal policy e.g. cut taxes, increase investment allowances for businesses, and/or increase government expenditure on infrastructure, housing etc. This will mean that the PSBR deficit elimination timetable will need to slip further into the future as promoting growth, (and ultimately boosting tax revenues in the longer term), will be a more urgent priority. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting to boost economic growth and suggested that the Government would need to help growth e.g. by increasing investment expenditure and by using fiscal policy tools. The newly appointed Chancellor, Phillip Hammond, announced, in the aftermath of the referendum result and the formation of a new Conservative cabinet, that the target of achieving a budget surplus in 2020 would be eased in the Autumn Statement on 23 November. This was duly confirmed in the Statement which also included some increases in infrastructure spending.

The other key factor in forecasts for Bank Rate is **inflation** where the MPC aims for a target for CPI of 2.0%. The November Inflation Report included an increase in the peak forecast for inflation from 2.3% to 2.7% during 2017; (Capital Economics are forecasting a peak of 3.2% in 2018). This increase was largely due to the effect of the sharp fall in the value of sterling since the referendum, although during November, sterling has recovered some of this fall to end up 15% down against the dollar, and 8% down against the euro (as at the MPC meeting date – 15.12.16). This depreciation will feed through into a sharp increase in the cost of imports and materials used in production in the UK. However, the MPC is expected to look through the acceleration in inflation caused by external, (outside of the UK), influences, although it has given a clear warning that if wage inflation were to rise significantly as a result of these cost pressures on consumers, then they would take action to raise Bank Rate.

What is clear is that **consumer disposable income** will come under pressure, as the latest employers' survey is forecasting median pay rises for the year ahead of only 1.1% at a time when inflation will be rising significantly higher than this. The CPI figure has been on an upward trend in 2016 and reached 1.2% in November. However, prices paid by factories for inputs rose to 13.2% though producer output prices were still lagging behind at 2.3% and core inflation was 1.4%, confirming the likely future upwards path.

Gilt yields, and consequently PWLB rates, have risen sharply since hitting a low point in mid-August. There has also been huge volatility during 2016 as a whole. The year started with 10 year gilt yields at 1.88%, fell to a low point of 0.53% on 12 August, and hit a new peak on the way up again of 1.55% on 15 November. The rebound since August reflects

the initial combination of the yield-depressing effect of the MPC's new round of quantitative easing on 4 August, together with expectations of a sharp downturn in expectations for growth and inflation as per the pessimistic Bank of England Inflation Report forecast, followed by a sharp rise in growth expectations since August when subsequent business surveys, and GDP growth in quarter 3 at +0.5% q/q, confounded the pessimism. Inflation expectations also rose sharply as a result of the continuing fall in the value of sterling.

Employment had been growing steadily during 2016 but encountered a first fall in over a year, of 6,000, over the three months to October. The latest employment data in December, (for November), was distinctly weak with an increase in unemployment benefits claimants of 2,400 in November and of 13,300 in October. **House prices** have been rising during 2016 at a modest pace but the pace of increase has slowed since the referendum; a downturn in prices could dampen consumer confidence and expenditure.

USA. The American economy had a patchy 2015 with sharp swings in the quarterly **growth rate** leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 at +0.8%, (on an annualised basis), and quarter 2 at 1.4% left average growth for the first half at a weak 1.1%. However, quarter 3 at 3.2% signalled a rebound to strong growth. The Fed. embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase of 0.25% which came, as expected, in December 2016 to a range of 0.50% to 0.75%. Overall, despite some data setbacks, the US is still, probably, the best positioned of the major world economies to make solid progress towards a combination of strong growth, full employment and rising inflation: this is going to require the central bank to take action to raise rates so as to make progress towards normalisation of monetary policy, albeit at lower central rates than prevailed before the 2008 crisis. The Fed. therefore also indicated that it expected three further increases of 0.25% in 2017 to deal with rising inflationary pressures.

The result of the **presidential election** in November is expected to lead to a strengthening of US growth if Trump's election promise of a major increase in expenditure on infrastructure is implemented. This policy is also likely to strengthen inflation pressures as the economy is already working at near full capacity. In addition, the unemployment rate is at a low point verging on what is normally classified as being full employment. However, the US does have a substantial amount of hidden unemployment in terms of an unusually large, (for a developed economy), percentage of the working population not actively seeking employment.

Trump's election has had a profound effect on the **bond market and bond yields** rose sharply in the week after his election. Time will tell if this is a reasonable assessment of his election promises to cut taxes at the same time as boosting expenditure. This could lead to a sharp rise in total debt issuance from the current level of around 72% of GDP towards 100% during his term in office. However, although the Republicans now have a monopoly of power for the first time since the 1920s, in having a President and a majority in both Congress and the Senate, there is by no means any certainty that the politicians and advisers he has been appointing to his team, and both houses, will implement the more extreme policies that Trump outlined during his election campaign. Indeed, Trump may even rein back on some of those policies himself.

In the first week since the US election, there was a major shift in **investor sentiment** away from bonds to equities, especially in the US. However, gilt yields in the UK and bond yields in the EU have also been dragged higher. Some commentators are saying that this rise has been an overreaction to the US election result which could be reversed. Other commentators take the view that this could well be the start of the long expected eventual unwinding of bond prices propelled upwards to unrealistically high levels, (and conversely bond yields pushed down), by the artificial and temporary power of quantitative easing.

EZ. In the Eurozone, **the ECB** commenced, in March 2015, its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month. This was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March 2016 meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise significantly from low levels towards the target of 2%. Consequently, at its December meeting it extended its asset purchases programme by continuing purchases at the current monthly pace of €80 billion until the end of March 2017, but then continuing at a pace of €60 billion until the end of December 2017, or beyond, if necessary, and in any case until the Governing Council sees a sustained adjustment in the path of inflation consistent with its inflation aim. It also stated that if, in the meantime, the outlook were to become less favourable or if financial conditions became inconsistent with further progress towards a sustained adjustment of the path of inflation, the Governing Council intended to increase the programme in terms of size and/or duration.

EZ GDP growth in the first three quarters of 2016 has been 0.5%, +0.3% and +0.3%, (+1.7% y/y). Forward indications are that economic growth in the EU is likely to continue at moderate levels. This has added to comments from many forecasters that those central banks in countries around the world which are currently struggling to combat low growth, are running out of ammunition to stimulate growth and to boost inflation. Central banks have also been stressing that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand and economic growth in their economies.

There are also significant specific political and other risks within the EZ: -

- **Greece** continues to cause major stress in the EU due to its tardiness and reluctance in implementing key reforms required by the EU to make the country more efficient and to make significant progress towards the country being able to pay its way – and before the EU is prepared to agree to release further bail out funds.
- **Spain** has had two inconclusive general elections in 2015 and 2016, both of which failed to produce a workable government with a majority of the 350 seats. At the eleventh hour on 31 October, before it would have become compulsory to call a third general election, the party with the biggest bloc of seats (137), was given a majority confidence vote to form a government. This is potentially a highly unstable situation, particularly given the need to deal with an EU demand for implementation of a package of austerity cuts which will be highly unpopular.
- The under capitalisation of **Italian banks** poses a major risk. Some **German banks** are also undercapitalised, especially Deutsche Bank, which is under threat of major financial penalties from regulatory authorities that will further weaken its capitalisation. What is clear is that national governments are forbidden by EU rules from providing state aid to bail out those banks that are at risk, while, at the same time, those banks are unable realistically to borrow additional capital in financial markets due to their vulnerable financial state. However, they are also 'too big, and too important to their national economies, to be allowed to fail'.
- **4 December Italian constitutional referendum** on reforming the Senate and reducing its powers; this was also a confidence vote on Prime Minister Renzi who has resigned on losing the referendum. However, there has been remarkably little fall out from this result which probably indicates that the financial markets had already fully priced it in. A rejection of these proposals is likely to

inhibit significant progress in the near future to fundamental political and economic reform which is urgently needed to deal with Italy's core problems, especially low growth and a very high debt to GDP ratio of 135%. These reforms were also intended to give Italy more stable government as no western European country has had such a multiplicity of governments since the Second World War as Italy, due to the equal split of power between the two chambers of the Parliament which are both voted in by the Italian electorate but by using different voting systems. It is currently unclear what the political, and other, repercussions are from this result.

- **Dutch general election 15.3.17**; a far right party is currently polling neck and neck with the incumbent ruling party. In addition, anti-big business and anti-EU activists have already collected two thirds of the 300,000 signatures required to force a referendum to be taken on approving the EU – Canada free trade pact. This could delay the pact until a referendum in 2018 which would require unanimous approval by all EU governments before it can be finalised. In April 2016, Dutch voters rejected by 61.1% an EU – Ukraine cooperation pact under the same referendum law. Dutch activists are concerned by the lack of democracy in the institutions of the EU.
- **French presidential election**; first round 13 April; second round 7 May 2017.
- **French National Assembly election June 2017.**
- **German Federal election August – 22 October 2017.** This could be affected by significant shifts in voter intentions as a result of terrorist attacks, dealing with a huge influx of immigrants and a rise in anti EU sentiment.
- The core EU, (note, not just the Eurozone currency area), principle of **free movement of people** within the EU is a growing issue leading to major stress and tension between EU states, especially with the Visegrad bloc of former communist states.

Given the number and type of challenges the EU faces in the next eighteen months, there is an identifiable risk for the EU project to be called into fundamental question. The risk of an electoral revolt against the EU establishment has gained traction after the shock results of the UK referendum and the US Presidential election. But it remains to be seen whether any shift in sentiment will gain sufficient traction to produce any further shocks within the EU.

Asia. Economic growth in **China** has been slowing down and this, in turn, has been denting economic growth in emerging market countries dependent on exporting raw materials to China. Medium term risks have been increasing in China e.g. a dangerous build up in the level of credit compared to the size of GDP, plus there is a need to address a major over supply of housing and surplus industrial capacity, which both need to be eliminated. This needs to be combined with a rebalancing of the economy from investment expenditure to consumer spending. However, the central bank has a track record of supporting growth through various monetary policy measures, though these further stimulate the growth of credit risks and so increase the existing major imbalances within the economy.

Economic growth in **Japan** is still patchy, at best, and skirting with deflation, despite successive rounds of huge monetary stimulus and massive fiscal action to promote consumer spending. The government is also making little progress on fundamental reforms of the economy.

Emerging countries. There have been major concerns around the vulnerability of some emerging countries exposed to the downturn in demand for commodities from China or to competition from the increase in supply of American shale oil and gas reaching world markets. The ending of sanctions on Iran has also brought a further significant increase in oil supplies into the world markets. While these concerns have subsided during 2016, if

interest rates in the USA do rise substantially over the next few years, (and this could also be accompanied by a rise in the value of the dollar in exchange markets), this could cause significant problems for those emerging countries with large amounts of debt denominated in dollars. The Bank of International Settlements has recently released a report that \$340bn of emerging market corporate debt will fall due for repayment in the final two months of 2016 and in 2017 – a 40% increase on the figure for the last three years.

Financial markets could also be vulnerable to risks from those emerging countries with major sovereign wealth funds, that are highly exposed to the falls in commodity prices from the levels prevailing before 2015, especially oil, and which, therefore, may have to liquidate substantial amounts of investments in order to cover national budget deficits over the next few years if the price of oil does not return to pre-2015 levels.

Brexit timetable and process

- March 2017: UK government notifies the European Council of its intention to leave under the Treaty on European Union Article 50
- March 2019: two-year negotiation period on the terms of exit. This period can be extended with the agreement of all members i.e. not that likely.
- UK continues as an EU member during this two-year period with access to the single market and tariff free trade between the EU and UK.
- The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.
- The UK would aim for a negotiated agreed withdrawal from the EU, although the UK may also exit without any such agreements.
- If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU - but this is not certain.
- On exit from the EU: the UK parliament would repeal the 1972 European Communities Act.
- The UK will then no longer participate in matters reserved for EU members, such as changes to the EU's budget, voting allocations and policies.
- It is possible that some sort of agreement could be reached for a transitional time period for actually implementing Brexit after March 2019 so as to help exporters to adjust in both the EU and in the UK.

APPENDIX 3: Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum ‘high’ quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of 70% will be held in aggregate in non-specified investment

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Specified investments	Minimum credit criteria / colour band	£ limit per institution	Max. maturity period
DMADF – UK Government	N/A	unlimited	6 months
UK Government gilts	UK sovereign rating	unlimited	1 year
UK Government Treasury bills	UK sovereign rating	unlimited	1 year
Bonds issued by multilateral development banks	UK sovereign rating	unlimited	1 year
Money market funds	AAA	£15m	Liquid
Enhanced money market funds with a credit score of 1.25	AAA	£10m	Liquid
Enhanced money market funds with a credit score of 1.5	AAA	£10m	Liquid
Local authorities	N/A	£15m	1 year
CDs or term deposits with banks and building societies	Yellow Purple Blue Orange	£15m £15m £15m £10m	1 year

Non-specified investments	Minimum credit criteria / colour band	£ limit per institution	Max. maturity period
UK Government gilts	UK sovereign rating	unlimited	5 years
Bonds issued by multilateral development banks	UK sovereign rating	unlimited	5 years
Money market funds	AAA	£15m	Liquid
Enhanced money market funds with a credit score of 1.25	AAA	£10m	Liquid
Enhanced money market funds with a credit score of 1.5	AAA	£10m	Liquid
Local authorities	N/A	£15m	5 years
Housing Associations	AA-	£2m	1 year
CDs or Term deposits with banks and building societies	Yellow Purple Blue Orange Red Green No Colour	unlimited £15m £15m £10m £10m £10m	Up to 5 years Up to 2 years Up to 1 year Up to 1 year Up to 6 Months Up to 100 days Not for use
Corporate bonds	AA- A-	£5m £2m	1 year
Repurchase agreements	AA	£5m	5 years

APPENDIX 4: Approved countries for investments

This list is based on those countries which have sovereign ratings of AA- or higher and also have banks operating in sterling markets which have credit ratings of green or above in the Capita Asset Services credit worthiness service.

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- Hong Kong
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- Qatar
- U.K.

AA-

- Belgium

Crawley Borough Council

Report to Overview and Scrutiny Commission 6 February 2017



Report to Cabinet 8 February 2017

Safeguarding Children, Young People and Adults at Risk Policy 2017

Report of the Head of Community Services, **HCS/03**

1. Purpose

- 1.1 The Council has a legal responsibility to safeguard, protect and promote the wellbeing of children, young people and adults at risk. The Safeguarding Policy provides a framework for safeguarding and articulates the Council's commitment to safeguarding children, young people and adults at risk.
- 1.2 The report details the updates to the Safeguarding Policy. These are due to changes in legislation, statutory guidance, updates to the Pan Sussex safeguarding policies and procedures as well as developments in best practice.

2. Recommendations

2.1 To the Overview and Scrutiny Commission:

That the Commission consider the report and decide what comments, if any, it wishes to submit to the Cabinet.

2.2 To the Cabinet:

- 2.2.1 The Cabinet is recommended to approve the revised Crawley Borough Council Safeguarding Children, Young People and Adults at Risk Policy 2017 (attached as Appendix 1).
- 2.2.2 That delegated authority be given to the Head of Community Services, in consultation with the Cabinet Member for Public Protection and Community Engagement, to revise and update the Safeguarding Policy in future as further changes to legislation and statutory guidance are introduced.

3. Reasons for the Recommendations

- 3.1 The recommendations are made to ensure that all staff, volunteers and elected members are equipped with the knowledge, skills and information to enable them to undertake their safeguarding responsibilities for Crawley Borough Council.

4. Background

4.1 The current Safeguarding Policy was last approved in January 2007. Since then, various changes to legislation have taken place. These include:

- The Equality Act (2010)
- The Care Act (2014)
- The Modern Slavery Act (2015)
- The Counter Terrorism and Security Act (2015)

4.2 Along with statutory guidance:

- Safeguarding children and young people from sexual exploitation (2009)
- Working together to safeguard children (2015)
- What to do if you're worried a child is being abused (2015)
- Information sharing guidance (2015)
- FGM mandatory reporting duty (2015)
- Prevent Duty Guidance for England and Wales (2015)
- The Prevent Duty> Departmental advice for schools and childcare providers (2015)

4.3 The Sussex Children's and Adults' safeguarding procedures are also regularly updated to reflect the changes in legislation and statutory guidance.

- The Pan Sussex Child Protection and Safeguarding procedures:
<http://sussex.procedures.org.uk/>
- Sussex Safeguarding Adults' Policy and Procedures:
<http://sussexsafeguardingadults.procedures.org.uk/>

5. Description of Issue to be resolved

5.1 A range of services provided by, or on behalf of, the Council has the potential to impact upon the lives of children, young people and adults at risk. All staff have a duty to report allegations, disclosures and suspicions of abuse or neglect.

5.2 There are three parts to safeguarding children, young people and adults at risk:

- A duty to *protect* children, young people and adults at risk from maltreatment.
- A duty to *prevent* impairment.
- A duty to safeguard adults at risk in accordance with the Care Act (2014).

5.3 The Policy also aims to protect staff, volunteers and elected members from potential false allegations.

5.4 The Crawley Borough Council Safeguarding Policy has been updated to take into account the revised legislation and statutory guidance. It is also in-line with the Sussex Policy and Procedures (detailed above in section 4).

5.5 The Policy affects all staff (permanent, casual and temporary), volunteers and elected members. Consultants and contractors would be covered through procurement arrangements.

6. Information & Analysis Supporting Recommendation

- 6.1 The updated Safeguarding Policy reflects changes in legislation and statutory guidance, as referred to in section 4 of this report.
- 6.2 The Lead Safeguarding Officer is a member of the Local Children's Safeguarding Board. The Lead Designated Safeguarding Officer regularly meets with West Sussex District and Borough Council safeguarding officers to share knowledge and information. These links ensure that Crawley Borough Council works consistently with other councils throughout Sussex. This updated Policy is also in-line with other West Sussex District and Borough Safeguarding Policies.
- 6.3 Ward members have not been consulted as this policy affects all members of the council.

7. Equality implications

- 7.1 Under section 149 of the Equality Act 2010, when making decisions, the Council must have regard to the Public Sector Equality Duty, i.e. have regard to:
- eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.

The characteristics protected by the Equality Act are:

- Age
- Disability
- Gender reassignment
- Marriage/civil partnership
- Pregnancy/maternity
- Race
- Religion/belief
- Gender and sexual orientation

- 7.2 An equality impact assessment has been carried out and this is attached as Appendix 2 for consideration and shows some positive impact on protected groups. It also shows that the Safeguarding Policy is fit for purpose.

8. Legal implications

- 8.1 The revised Safeguarding Policy, at Appendix 1, sets out the legal requirements and duty placed on the Council to ensure the safeguarding of all children, young people and adults at risk. Key legislation and statutory guidance is referred to in the Policy.
- 8.2 Key staff throughout the Council have already received tailored safeguarding awareness training throughout 2015 and 2016. As learning from serious case reviews is published and guidance is updated in the future, additional ongoing training for staff will be necessary.

- 8.3 Members have also been updated on key changes in legislation and statutory guidance at a seminar in October 2015.
- 8.4 It is recommended that an internal communications campaign will be undertaken once the new Policy is in place, to ensure all staff, volunteers and elected members are fully aware of their safeguarding responsibilities.

9. Background Papers

Sussex safeguarding policies and procedures:

Pan Sussex child protection and safeguarding procedures:

<http://sussex.procedures.org.uk/>

Sussex safeguarding adults' policy and procedures:

<http://sussexsafeguardingadults.procedures.org.uk/>

Sussex Safeguarding Boards:

West Sussex Local Children's Safeguarding Board:

<http://www.westsussexscb.org.uk/>

West Sussex Local Adult's Safeguarding Board:

<https://www.westsussex.gov.uk/social-care-and-health/keeping-children-and-adults-safe/adults/west-sussex-safeguarding-adults-board/>

Legislation:

The Equality Act, 2010

<http://www.legislation.gov.uk/ukpga/2010/15/contents>

The Care Act, 2014

<http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted/data.htm>

The Modern Slavery Act, 2015

<http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>

The Counter Terrorism and Security Act, 2015

<http://www.legislation.gov.uk/ukpga/2015/6/contents/enacted>

Statutory guidance:

Safeguarding children and young people from sexual exploitation, 2009

<https://www.gov.uk/government/publications/safeguarding-children-and-young-people-from-sexual-exploitation-supplementary-guidance>

Working together to safeguard children, 2015

<https://www.gov.uk/government/publications/working-together-to-safeguard-children--2>

What to do if you're worried a child is being abused, 2015

<https://www.gov.uk/government/publications/what-to-do-if-youre-worried-a-child-is-being-abused--2>

Information sharing guidance, 2015

<https://www.gov.uk/government/publications/safeguarding-practitioners-information-sharing-advice>

FGM mandatory reporting guidance, 2015

<https://www.gov.uk/government/publications/mandatory-reporting-of-female-genital-mutilation-procedural-information>

Prevent Duty Guidance, 2015

<https://www.gov.uk/government/publications/prevent-duty-guidance>

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SAFEGUARDING CHILDREN, YOUNG PEOPLE AND ADULTS AT RISK POLICY 2017

Crawley Borough Council

Introduction and policy aims

This policy applies to all staff (permanent, casual and temporary), volunteers and elected members who may come into contact with children, young people and adults at risk in the course of their work, whether in someone's home, on Crawley Borough Council premises, or in the community.

It informs staff, volunteers and elected members about:

- **What actions to take if you have concerns about the safety or welfare of a child, young person or adult at risk (see 'Quick Reference Summary' on page 15).**
- **What will happen once you have taken these actions.**
- **What actions to take if you have concerns about the behaviour of a member of staff, volunteer or elected member relating to the safety of a child, young person or adult at risk.**
- **Behavioural expectations – reducing the risk of false allegations.**

It is designed to ensure that all staff, volunteers and elected members are equipped with the knowledge, skills and information to enable them to undertake their safeguarding responsibilities for Crawley Borough Council.

Why Safeguard?

Everyone, including children, young people and adults at risk, have the right not to be abused.

Crawley Borough Council recognises the need to ensure the welfare of children, young people and adults at risk when they come into contact with services provided by the Council and the staff responsible for delivering those services. This also applies to organisations using our premises.

Many staff have regular contact with people within these groups and are in a position to observe signs which might indicate that a person is at risk. If signs which cause concern are observed, council staff, volunteers and elected members have a responsibility to refer suspected cases of abuse to an appropriate agency or person.

There are also staff, volunteers and elected members who may not have direct contact with some of these groups, but who have access to sensitive information or who work in public places, develop policy and plan services for children, young people and adults at risk. It is equally important that these staff, volunteers and elected members have regard to the importance of safeguarding.

What does the Policy say?

Crawley Borough Council will promote the safeguarding of children, young people and adults at risk through all services it delivers and will consult them, so that they may help shape the Council's services.

All staff (casual, temporary and permanent), volunteers and elected members have a duty to report allegations, disclosures and suspicions of abuse or neglect. Consultants and contractors are covered through procurement arrangements.

Crawley Borough Council's safeguarding policy and procedures are in-line with both the Adults and Children's Sussex safeguarding procedures, which are available online at:

- **Pan Sussex Child Protection and Safeguarding Procedures:**
<http://sussex.procedures.org.uk/>
- **Sussex Safeguarding Adults' Policy and Procedures:**
<http://sussexsafeguardingadults.procedures.org.uk>

It is not the Council's role to establish whether or not abuse is taking place but it is the Council's responsibility to record and report any concerns over the welfare of children, young people or adults at risk. This duty extends to the identification of abuse, poor practice by staff, volunteers and elected members of the Council, as well as allegations brought to the attention of the Council by a member of the public/community. It is also the Council's responsibility to ensure that the services we provide and the staff that we employ are suitable for children, young people and adults at risk.

Scope

A range of services provided by or on behalf of the Council has the potential to impact upon the lives of children, young people and adults at risk.

This Safeguarding Policy outlines the Council's commitment to safeguard and promote the welfare of children, young people and adults at risk. It covers:

1. What is safeguarding?
2. Key legislation and statutory guidance
3. Accountability
4. Our commitment
5. Responsibilities
6. Recruitment
7. Training and development
8. Procurement
9. Funding agreements
10. Information sharing and partnerships
11. Referral procedures
12. Allegations procedures
13. Responding, recording and reporting allegations, disclosures and suspicions
14. Quick reference summary
15. Support for reporter of alleged abuse
16. Behavioural expectations
17. Preventing radicalisation, terrorism and non-violent extremism
18. E-safety
19. Designated safeguarding officers
20. Associated policies

The policy applies to all staff, volunteers and elected members. The term "staff" refers to casual, temporary, and permanent staff. Consultants and contractors are covered through the Procurement code.

1. What is safeguarding?

The Council aims to safeguard and promote the welfare of all children, young people and adults at risk irrespective of their age, culture, disability, gender, language, racial origin, socio-economic status, religious belief and sexual orientation. They all have the right to protection from abuse.

The term 'children and young people' is used to refer to anyone under the age of 18 years.

The term 'adult at risk' refers to any person aged 18 years or over who meets the following criteria:

- Has needs for care and support (whether or not the local authority is meeting any of those needs) and;
- Is experiencing, or at risk of, abuse or neglect; and
- As a result of those care and support needs is unable to protect themselves from either the risk of, or the experience of, abuse and neglect.

Carers are also included and are entitled to an assessment of their needs, where they meet the tests set out above.

There are three parts to safeguarding children, young people and adults at risk:

- **a duty to *protect* children, young people and adults at risk from maltreatment**
- **a duty to *prevent* impairment**
- **a duty to safeguard adults at risk in accordance with the Care Act (2014)**

The Council intends to safeguard children, young people and adults at risk from the following types of abuse:

- Physical Abuse
- Sexual Abuse
- Emotional Abuse
- Child Sexual Exploitation (CSE)
- Female Genital Mutilation (FGM)
- Financial or Material Abuse
- Domestic Abuse
- Psychological Abuse
- Discriminatory Abuse
- Organisational Abuse
- Modern Slavery
- Neglect
- Self-Neglect
- Radicalisation, terrorism and non-violent extremism
- Risk of Injury
- Cyber/internet Abuse

Abuse and neglect are forms of maltreatment. Somebody may abuse or neglect a child, young person or adult at risk by inflicting harm, or by failing to act to prevent harm. Individuals may be abused in a family or in an institutional or community setting, by those known to them or, more rarely, by a stranger. They may be abused by an adult or adults, or another child or children.

Promoting welfare refers to creating opportunities to enable children and young people to have optimum life chances in adulthood, namely:

- Physical and mental health and emotional well-being
- Protection from harm and neglect
- Education training and recreation
- The contribution made by them to society
- Social and economic well-being.

The emphasis in the Council's work with adults at risk is to promote the empowerment and wellbeing of adults at risk through the services it provides. To also act in a way which supports the rights of individuals to lead a life based on self-determination and personal choice as well as recognise people who are unable to take their own decisions and/or protect themselves and their assets.

Crawley Borough Council is committed to safeguarding and protecting children, young people and adults at risk in all its services. The Council aims to consult with children, young people and adults at risk in policy and service delivery matters which affect them, so that they may help shape the Council's services.

2. Key legislation and statutory guidance

This policy has been produced to meet the Council's legal obligations in relation to following legislation and statutory guidance for safeguarding of children, young people and adults at risk.

Legislation

- The Housing Act (1996)
- The Human Rights Act (1998)
- The Terrorism Act (2000)
- The Licensing Act (2003)
- The Children Act (1989 and 2004)
- The Safeguarding Vulnerable Groups Act (2006)
- The Child Care Act (2006)
- The Equality Act (2010)
- The Care Act (2014)
- The Modern Slavery Act (2015)
- The Counter Terrorism and Security Act (2015)

Statutory guidance

- United Nations Convention on the Rights of the Child (1991)
- Department of Health 'No Secrets' (2000)
- Safeguarding children and young people from sexual exploitation (2009)
- Working Together to Safeguard Children (2015)
- What to do if you're worried a child is being abused (2015)
- FGM Mandatory Reporting Duty (2015)
- Information Sharing Guidance (2015)
- Prevent Duty Guidance for England and Wales (2015)
- The Prevent Duty. Departmental advice for schools and childcare providers (2015)

From April 2015, the Care Act (2014) ensures a statutory duty in regards to adult safeguarding. This is to ensure an adult at risk and/or carer can live safely, comfortably and free from abuse.

3. Accountability

Ultimately, accountability for safeguarding and protecting children, young people and adults at risk under this policy falls to the Chief Executive as detailed in the Children Act 2004 and the Care Act 2014. The Council has delegated this responsibility to Head of Community Services, Chris Harris (Lead Safeguarding Officer (LSO)).

The Elected Member responsible for safeguarding children, young people and adults at risk is the Cabinet Member with responsibility for Public Protection and Community Engagement.

The Council's Designated Safeguarding Officers are responsible for ensuring that all safeguarding and welfare concerns are reported to the relevant investigating agencies in accordance with the Council's Safeguarding Policy and ensuring that information is recorded appropriately. They also provide an important communication link between the Council's Lead Safeguarding Officer (LSO) and other staff within the Council.

In addition to the above, the Council's Lead Designated Safeguarding Officer (LDSO), Community Services Manager, Victoria Wise, is responsible for:

- Monitoring referrals,
- Supporting the Council's Designated Safeguarding Officers,
- Co-ordinating and delivering training,
- Facilitating an internal Safeguarding working group,
- Liaising with Lead Designated Safeguarding Officers from other boroughs and districts.

All staff, volunteers and elected members:

- Have a duty to report allegations, disclosures and suspicions of abuse or neglect.
- Are responsible for ensuring that the activities in which they are involved during the course of their work are carried out in accordance with this policy.

Managers and Heads of Service are responsible for ensuring that staff and volunteers understand, adhere to and implement this Policy.

4. Our commitment

Crawley Borough Council will seek to meet its safeguarding responsibilities by:

- Undertaking its 'duty to co-operate' under the Children Act 2004 and the Care Act 2014.
- Being a 'champion', influencing other organisations to improve children's, young people's and adults at risk's lives.
- Not employing people or recruiting volunteers who are a risk.
- Providing some services which could resolve children, young people and adults at risk's safety issues (e.g. anti-social behaviour investigations).
- Identifying potential risks to children, young people and adults at risk and directly influencing children's, young people's and adults at risk' lives through the services it provides.

- Learning from lessons of high profile serious case reviews (for example, cases such as, Victoria Climbié, Baby Peter and Child Sexual Exploitation (CSE) in Rotherham). This may include coordinating additional training for licensed operators and partner organisations.
- Working with organisations to help combat other national safeguarding concerns, such as Female Genital Mutilation (FGM), Child Sexual Exploitation (CSE) and Modern Slavery.
- Not placing staff, volunteers or elected members in situations where they may be accused of inappropriate behaviour towards children, young people or adults at risk.
- Continuously reviewing its actions via. Section 11 self-assessments and reports to the Children's and Adults' Local Safeguarding Boards.

Crawley Borough Council accepts its moral and legal responsibility to:

- Implement safeguarding procedures.
- Provide a duty of care for children, young people and adults at risk.
- Safeguard the well-being of children, young people and adults at risk.
- Protect individuals from abuse when they are engaged in services organised and provided by the Council.
- Listen to and respect the views of children, young people and adults at risk.

Crawley Borough Council will achieve this by:

- Respecting and promoting the rights, wishes and feelings of children, young people and adults at risk.
- Raising the awareness of the duty of care responsibilities relating to children, young people and adults at risk throughout the Council.
- Promoting and implementing appropriate procedures to safeguard the well-being of children, young people and adults at risk to protect them from harm.
- Ensuring where services are provided by third parties that these organisations have appropriate policies and procedures in place to comply with their safeguarding duties.
- Creating a safe and healthy environment within all our services, avoiding situations where abuse or allegations of abuse may occur.
- Recruiting, training, developing, supporting, managing and supervising staff, elected members and volunteers to adopt best practice to safeguard and protect children, young people and adults at risk from abuse, and minimise risk to them.
- Responding to any allegations of misconduct or abuse of children, young people or adults at risk in-line with this policy and the Adults' and Children's Local Safeguarding Boards procedures, as well as implementing, where appropriate, the relevant disciplinary and appeals procedures.
- Having a formal process for recording and notifying concerns to other agencies about potential child, young person or adult at risk abuse.
- Having (and promoting to staff, volunteers and elected members) clear communication channels in case of suspicions about child, young person or adults at risk abuse, or other risks.
- Requiring staff, elected members and volunteers to adopt and abide by the Council's Safeguarding Policy and associated procedures.
- Reviewing and evaluating the effectiveness of this policy and associated procedures documents on an annual basis via the Section 11 Audit and reports to both the Local Children's and Local Adults' Safeguarding Boards.

5. Responsibilities

Under this policy, all staff, volunteers and elected members have a responsibility to:

Prevent abuse or harm of children, young people and adults at risk. i.e. endeavour to ensure that all children, young people and adults at risk using the Council's services do so safely and appropriately, and are treated with respect and understanding.

Protect children, young people and adults at risk from abuse or harm. i.e. take all reasonable steps to safeguard and protect the rights, health and wellbeing of children, young people and adults at risk who take part in activities organised by the Council and within its facilities. As well as those of children, young people and adults at risk, whom staff may come into contact with, within the course of their work.

Support children, young people and adults at risk. i.e. promote the welfare of children, young people and adults at risk.

For children and young people, promoting welfare refers to creating opportunities to enable children and young people to have optimum life chances in adulthood.

For adults at risk, promoting welfare refers to the empowerment and wellbeing of adults at risk through the services it provides. To act in a way which supports the rights of individuals to lead a life based on self-determination and personal choice as well as recognise people who are unable to take their own decisions and/or protect themselves and their assets.

6. Recruitment

All staff and volunteers will be appointed in accordance with the Council's Recruitment and Selection Procedures and will be subject to Disclosure and Barring Service (DBS) clearance where appropriate. These are designed to provide a rigorous and thorough selection process and to carry out all necessary checks, particularly on individuals seeking to work with children, young people and adults at risk.

In accordance with DBS procedures, we will report to the DBS individuals who come to our attention through the recruitment process who have caused harm to a child, young person or adult at risk.

7. Training and development

Training, development and continuous review is key to ensuring that this Safeguarding Policy is implemented effectively.

Staff, volunteers and elected members will receive safeguarding training (including e-safety and CSE) or information regarding safeguarding and are expected to apply these principles as part of their day-to-day working practice. The training and/or information will be at a level appropriate to their role, depending on the degree to which they are in contact with, have sensitive information about and/or plan services for children, young people and adults at risk.

Designated Safeguarding Officers (DSOs) will receive additional higher-level training to enable them to support and advise staff, volunteers and elected members.

Staff training and development needs and opportunities relating to safeguarding and protection issues will be identified and addressed in an ongoing manner and in response to any changes in legislation. Training may include internal courses/workshops, externally accredited courses/seminars or workshops organised by child protection/adult at risk safeguarding agencies.

Elected Members' training and development will be identified and addressed through their induction as well as seminars when appropriate.

Co-ordination of training may also be extended to others, such as private hire or taxi drivers and B&B owners, where there are specific local concerns e.g. related to CSE.

8. Procurement

Partners or contractors working for, with, and on-behalf of the Council in areas where workers are likely to come into contact with children, young people or adults at risk will be required to comply with the requirements of this Policy and should reference e-safety, safeguarding and safer-recruitment where necessary.

All new contracts let by the Council which involve services for those who are likely to encounter children, young people and adults at risk will include appropriate reference to complying with this Policy. Evidence of this will be requested at the point of tender and then subsequently checked at periodic intervals or through contract management.

9. Funding agreements

Groups and organisations that receive funding from the Council for services and projects that affect children, young people and/or adults at risk will be required to prove that they discharge their safeguarding responsibilities in-line with Crawley Borough Council's statutory safeguarding responsibilities.

This will include evidence of appropriate and proportionate safeguarding policies, recruitment and vetting procedures and training and development for staff, volunteers, trustees etc.

10. Information sharing and partnerships

The Council supports the principle of sharing information with other agencies and will document information where appropriate to support this process. Data Protection should not be used as an excuse not to pass on important safeguarding information to relevant partner organisations. The Council is committed to close working with partners in all matters relating to safeguarding and protecting children, young people and adults at risk as well as to the relevant partnerships.

11. Referral procedures

This Safeguarding Policy informs all staff, volunteers and elected members of what actions they should take if they have concerns or encounter a case of alleged, disclosed or suspected child, young person or adult at risk abuse or neglect.

Staff, volunteers and elected members may come across cases of suspected abuse either through direct contact with children, young people and adults at risk, for example, running a holiday activity or for key staff (e.g. Housing Officers, Environmental Health, Benefit Officers) through visiting homes as part of their day to day work.

The primary responsibility of staff, volunteers and elected members is to ensure that any relevant information is passed to one of the Council's Designated Safeguarding Officers (DSO's) without delay (all DSO's contact details are listed on the Crawley Borough Council intranet), who will then discuss any action or referral to the relevant authority or authorities. These include the Police, West Sussex County Council Children's Social Care and Adults' Social Care. In addition to this, if a staff member receives a CSE disclosure, Sussex Police (Operation Kite) will be notified. If a DSO receives a disclosure or report of suspicion of an individual at risk of radicalisation, terrorism or non-violent extremism, the Prevent Coordinator will be informed and a further referral to Channel may be necessary (see page 19).

It is not the Council's responsibility to investigate or decide whether or not a child, young person or adult at risk has been abused. It is, however, the Council's responsibility to report all concerns.

Responding to Disclosures

Abused children, young people and adults at risk are more likely to disclose details of abuse to someone they trust and with whom they feel safe. By listening and taking seriously what is disclosed, staff, elected members and volunteers are already helping the situation. The following points are a guide to help you respond appropriately:

If a child, young person or adult at risk discloses abuse to you, you must:

- Stay calm and be sensitive.
- Inform the child, young person or adult at risk who discloses the abuse that you may need to refer this to one of the Council's Designated Safeguarding Officers (DSO's), and depending on the severity of the information disclosed, it may need to be referred to the Police, Children's Social Care or Adult's Social Care.
- Record all observations and everything that is said.
- Contact one of Crawley Borough Council's DSO's at the earliest possible opportunity.

Responding to Observations and Suspicions

If you suspect abuse, you must:

- Stay calm and be sensitive.
- If a child, young person or adult at risk is in immediate danger CALL 999 and ask for an emergency services response.
- In all cases record all observations and everything that is said.
- In all cases contact one of Crawley Borough Council's DSO's at the earliest possible opportunity. See the intranet for the most up-to-date list of DSO's.

In the event that you have concerns about a child or young person and immediate action is not required (see above) the following process should be followed *within 1 working day of the recognition of risk*.

The Designated Safeguarding Officer will support you to:

- Decide whether to refer to Children's or Adults' Social Care (Children's: Multi-agency Safeguarding Hub (MASH) or, Adults Care Point);
- Seek consent from the child's family for a referral to Social Care unless this may;
 - Place the child at risk of significant harm e.g. by the behavioural response it prompts or by leading to an unreasonable delay
 - Lead to the risk of losing evidential material or
 - In cases where fabricated or induced illness is suspected.

A decision not to seek parental agreement and the reasons for that should be recorded. Where the parent refuses to give consent for the referral further advice should be taken, unless this would cause undue delay, and the outcome fully recorded. If, having taken the parents' wishes into consideration it is still considered necessary to make a referral, the reason for proceeding should be recorded and social care told that consent has been withheld.

You must seek consent from the adult at risk, unless there is an issue of lack of mental capacity. This should be recorded in the referral to Adult's social care.

Where appropriate, make a referral to Children's or Adults' social care:

Children's safeguarding referral:

Multi-agency Safeguarding Hub (MASH)

- Referral form: <http://www.westsussexscb.org.uk/professionals/contacts-for-referral/>
- Secure GCSX email: MASH@westsussex.gcsx.gov.uk
- Telephone: 01403 22 99 00

Adults at risk safeguarding referral:

Adults Care Point

- Referral form: <https://www.westsussex.gov.uk/social-care-and-health/how-to-get-social-care-help/adults/raise-a-concern-about-an-adult/>
- Telephone: 01243 64 21 21

- Confirm the telephone referral in writing within 24 hours via the referral forms or a secure GCSX email.
- Ensure a copy of the referral is sent to the LDSO.
- Ensure that confidentiality is maintained unless discussion helps protect the child.
- Receive personal emotional support if necessary.

Out of Hours Arrangements

If you suspect abuse, or abuse is disclosed to you outside normal office hours, you must:

For Children:

- Call 0330 222 6664 out of office hours (5pm to 8am weekdays) and for emergencies at weekends and bank holidays (24 hours).

For Adults at risk:

- Contact the West Sussex Adults' Services out-of-hours service directly on 01243 642 121.

Record all observations and everything that is said

Report the disclosure / suspicions and subsequent action to one of the Council's DSO's the next working day.

Should you wish to consult with one of Crawley Borough Council's Designated Officers before reporting your concerns to West Sussex Children and Adults Out-of-Hours Service, phone Chris Harris, the Council's Lead Safeguarding Officer on 07818 414 364 or Victoria Wise, Lead Designated Safeguarding Officer on 07807 824 537.

12. Allegations procedures

Allegations against staff, volunteers and elected members

It is important that any concern arising from potential abuse, harassment, inappropriate conduct or neglect by a member of staff, volunteer or elected member of the Council should be reported immediately.

Where an allegation of abuse has been made, then the priority must be to ensure the wellbeing of the individual. However, if the allegation is of abuse by a member of Crawley Borough Council staff, volunteer, elected member or third party working on behalf of Crawley Borough Council, it is the responsibility of Crawley Borough Council to investigate immediately, and cooperate with the relevant authorities.

If during working hours, the member of staff making or receiving the allegation against another member of staff should initially report to Chris Harris, LSO and Lucasta Grayson, Head of People and Technology as a matter of urgency.

If an event or activity takes place outside of normal working hours then the officer who has received or is making the allegation must report his or her concerns as above by the next working day.

Crawley Borough Council will support all staff that in good faith report incidents where an individual may be harmed. However staff should be aware allegations made maliciously will be dealt with under the Council's Disciplinary Procedures.

If a member of staff or volunteer is disturbed by the incident then counselling will be considered and they should contact their line manager or a member of the HR team. Staff or volunteers who are members of a Union may contact their Union representative for additional support.

Where appropriate, following an initial investigation, the complaint against a member of staff will be considered under the Council's Disciplinary Procedure as Gross Misconduct, but any internal investigations will be conducted in consultation with West Sussex Local Authority Designated Officer (LADO), Social Services or the Police.

If you have received an allegation about a member of staff / volunteer or are concerned about their poor practice, you must:

- Stay calm and be sensitive.
- Record all observations and everything that is said.
- Contact the Lead Safeguarding Officer (LSO) and Head of People & Technology at the earliest possible opportunity.
- If you are unable to contact the LSO or Head of People & Technology, you should contact the LDSO or HR & OD Manager.
- Crawley Borough Council's LSO must contact the Local Area Designated Officer (LADO) for West Sussex County Council immediately if the allegation concerns a child. They must also inform Ofsted (if the alleged incident has occurred in a childcare setting for children under 8 years).

In the case of an allegation or concern about the Council's Head of People & Technology, this should be reported to the Head of Community Services or the Chief Executive.

Local Area Designated Officer (LADO) for Safeguarding and Allegations Management Team

Contact details for the LADO:

- Tel: 0330 222 3339
- Address: Safeguarding in Education and Allegations Management Team, Room 24, Durban House, Durban Road, Bognor Regis, PO22 9RE
- Email: lindsey.tunbridge-adams@westsussex.gov.uk,
- Assistant LADO: Claire.coles@westsussex.gov.uk, anne.richards@westsussex.gov.uk

If you have received an allegation about an elected member or are concerned about their poor practice, you must:

- Stay calm and be sensitive.
- Record all observations and everything that is said.
- Contact the Head of Legal and Democratic Services (monitoring officer) at the earliest possible opportunity, who will investigate in liaison with the Council's Lead Safeguarding Officer, as appropriate.

Once the LADO has been informed then you and colleagues will follow all instructions from appropriate professionals and cooperate fully with any further investigations.

Crawley Borough Council's Disciplinary Procedure will also be implemented, although it can be superseded at any time by statutory requirements as set out in:

- <http://sussex.procedures.org.uk/>
- <http://sussexsafeguardingadults.procedures.org.uk/>

13. Responding, recording and reporting allegations, disclosures and suspicions

Confidentiality

All suspicions, enquiries and external investigations are kept confidential and shared only with those who need to know. Any information is shared in-line with guidance from the Local Children's Safeguarding Board (LSCB) and the Local Adult's Safeguarding Board.

Recording

Staff, volunteers and elected members must fill in the appropriate forms online when making a referral to either Children's Social Care via the MASH (Multi-agency safeguarding hub) or Adults Care Point for all allegations, disclosures and suspicions relating to the safeguarding of children and adults at risk.

A copy of the referral form must be kept and sent immediately to the DSO and LDSO to ensure that all facts are recorded properly and accurately. Details of all safeguarding referrals sent to MASH or Adults Care Point will be held in a single corporate database and managed by the LDSO.

All staff, volunteers and elected members must report safeguarding allegations, disclosures and suspicions to one of the DSO's, the LDSO or LSO immediately.

It is the responsibility of the Council's DSO's to take a lead on and report allegations, disclosures and suspicions to the Police and/or MASH and Adult Care Point. It is also their responsibility to ensure completed records are passed to the LDSO and to take any other action appropriate.

Reporting allegations made against staff, volunteers and elected members

Unfounded allegations

False or Unfounded allegations will result in all rights being re-instated.

Founded allegations

Founded allegations will be passed on to the relevant organisations including the local authority children's social care team, LADO and where an offence is believed to have been committed, the police, and will result in the termination of employment.

Where the incident has taken place in a childcare establishment for children under the age of 8 years Ofsted will be notified immediately of the decision.

The LSO or Head of People and Technology will notify the Disclosure and Barring Service of this immediately and also if the individual concerned leaves the Council's employment during the investigation process and the allegation is subsequently substantiated.

Recording allegations made against staff, volunteers and elected members

All records relating to an allegation against staff, volunteers and elected members will be kept until the person reaches normal retirement age or for 10 years, if that is longer.

If the recorded allegation was founded, then this information must be provided on all future references for that individual.

14. Quick reference summary

Suspicion/Observation

Stay calm and be sensitive



Observe. Intervene if emergency medical attention is required or there is immediate risk of harm.



Inform DSO
(If out of hours, contact the MASH or Adult's Care Point directly (page 11) and report to one of the DSO's the next working day)



With advice from the DSO, record all details and if appropriate refer to MASH or Adult's Care Point (page 10) (and Police if necessary) using their relevant online referral forms.



Disclosure

Stay calm and be sensitive



Inform the child, young person or adult at risk disclosing the abuse that you may need to refer this to one of the Council's Designated Safeguarding Officers (DSO's) and depending on the severity of the information disclosed, it may need to be referred to the Police and Children's and Adults' Social Care.



Listen. Intervene if emergency medical attention is required or there is immediate risk of harm.



Inform DSO
(If out of hours, contact the MASH or Adult's Care Point directly (page 11) and report to one of the DSO's the next working day)



With advice from the DSO, record all details and if appropriate refer to MASH or Adult's Care Point (page 10) (and Police if necessary) using their relevant online referral forms.



Allegation against a member of staff

Stay calm and be sensitive



Listen. Observe. Intervene if emergency medical attention is required or there is immediate risk of harm.



Inform the LSO (Head of Community Services) and Head of People and Technology. If not available inform the LDSO and HR & OD Manager



Record all details and send to LSO and Head of People and Technology.

LSO and Head of People and Technology to take appropriate action (referral to LADO and Ofsted, page 12)



Allegation against an elected member

Stay calm and be sensitive



Listen. Observe. Intervene if emergency medical attention is required or there is immediate risk of harm.



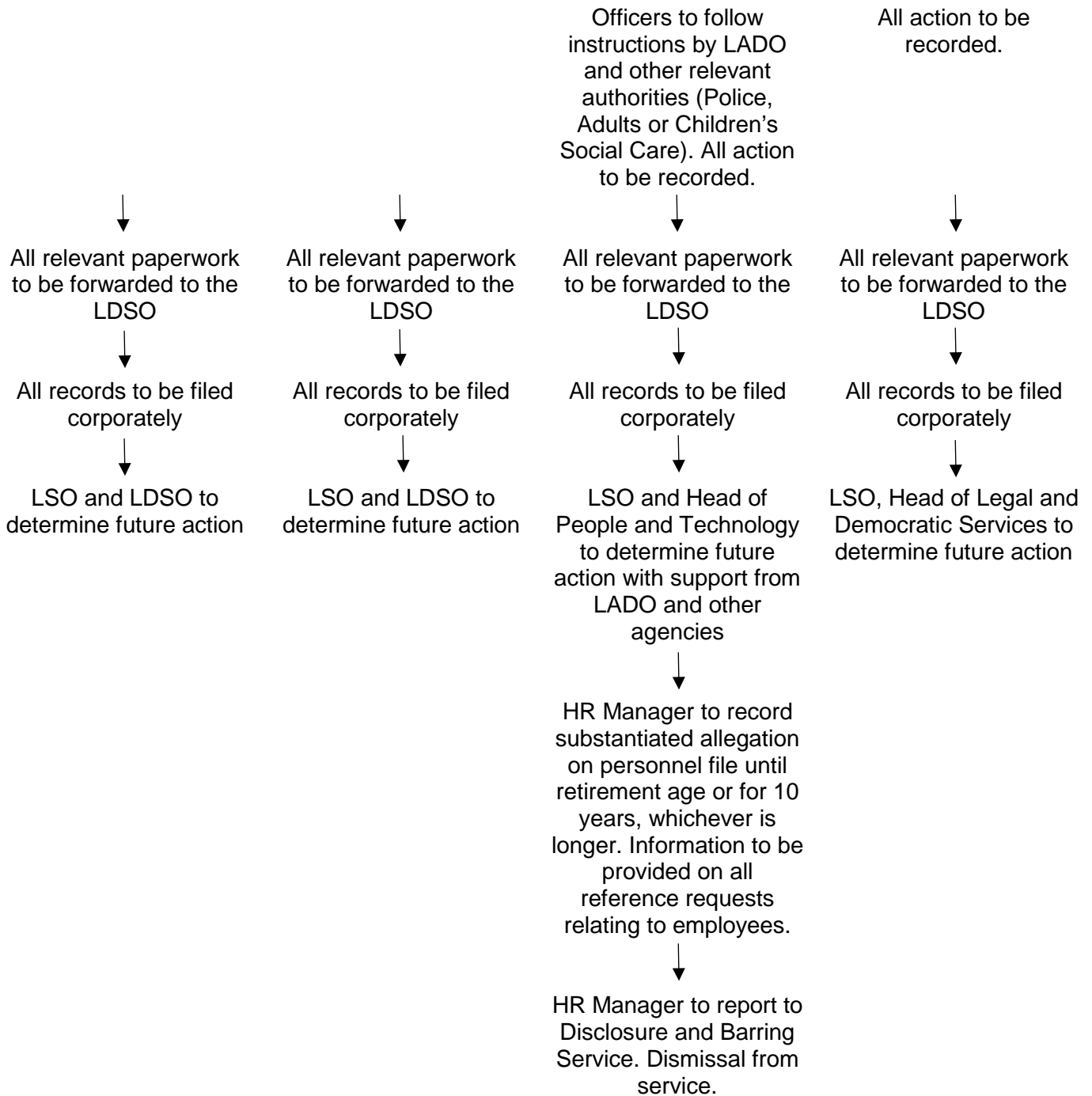
Inform the LSO and Head of Legal and Democratic Services.



Record all details and send to LSO and Head of Legal and Democratic Services.

LSO and Head of Legal and Democratic Services to take appropriate action.





15. Support for reporter of alleged abuse

Strong feelings may be generated by an allegation, disclosure or suspicion of abuse to, or neglect of, children, young people and adults at risk, especially if the allegation relates to a member of staff, volunteer or elected member. This can raise concerns among other staff, volunteers or elected members and create difficulties in reporting such matters.

The Council will fully support and protect all staff, volunteers or elected members who, in good faith and without malicious intent, report his or her concern about a colleague's practice or the possibility that a child, young person or adult at risk may be being abused.

16. Behavioural expectations

Whilst providing services for children, young people and adults at risk, Crawley Borough Council staff are in a position of trust and responsibility and this should be uppermost in practitioners' minds at all times. It is more important than ever for staff and volunteers to understand how they can best protect children, young people and adults at risk and themselves from false allegations whether working directly with, or inadvertently coming into contact with, children, young people and adults at risk during their work.

This section outlines the behaviour expected of Crawley Borough Council staff, volunteers, contractors, elected members and staff from other organisations who engage with children, young people and adults at risk through Crawley Borough Council and its services.

Code of conduct for adults working with children, young people and adults at risk

This code has been developed to provide advice which will not only help to protect children, young people and adults at risk but will also help identify any practices which could be misconstrued and perhaps lead to false allegations of abuse being made against individuals.

Following this good practice code will also help to protect Crawley Borough Council by reducing the possibility of anyone using their role within the organisation to gain access to children, young people and adults at risk in order to abuse them.

When working with children, young people and adults at risk for Crawley Borough Council, all staff and volunteers are considered to be acting in a position of trust. It is therefore important that staff, volunteers and peer leaders are aware that they may be seen as role models by children and must act in an appropriate manner at all times and follow the code of conduct.

All members of staff and volunteers are expected to report breaches of this code to the Council's LSO, line manager or HR.

Staff breaching this code may be subject to Crawley Borough Council disciplinary procedures.

Any breach of this code involving a volunteer or member of staff from another agency may result in them being asked to leave the project. Serious breaches of this code may also result in a referral being made to a statutory agency such as the police, children's or adult's social care.

When working with children, young people and adults at risk it is important to:

- Always follow the Crawley Borough Council safeguarding policy.
- Listen to and respect children, young people and adults at risk at all times.
- Always avoid favouritism.
- Behave in a professional manner at all times and ensure professional boundaries are in place.
- Use respectful language.
- Ensure written parental consent, for example when taking photographs and transporting children.
- Avoid situations that could potentially be perceived as compromising you, for example giving a child a lift in your personal car, on your own.
- Respect confidentiality unless the information you have may impact on the safety or welfare of the child.
- Treat children and young people fairly and without prejudice.
- Ensure the appropriate child : staff ratio is adhered to during activities.
- Value and take children's contributions seriously.
- Ensure that, whenever possible, there is more than one adult present during activities or at least that you are within sight or hearing of others.
- Always inform another member of staff, preferably your manager, if you are concerned that your actions have been or could be misconstrued by a child, adult at risk or a third party.
- Respect an individual's right to personal privacy.
- Always ensure equipment is used appropriately and for the purpose it was designed for.
- Ensure any contact with children, young people and adults at risk is appropriate and in relation to the work or project.
- Always ensure language is appropriate and not offensive or discriminatory.
- Follow the ICT security policy and social media policy and report any breaches.
- Actively involve children and young people in planning activities wherever possible.
- Provide examples of good conduct you wish others to follow.
- Challenge unacceptable behaviour and report all allegations / suspicions of abuse.
- Ensure you record and report to your line manager and DSO any behaviour or incident that could compromise you, for example if a child touches you inappropriately.

You must not:

- Believe it could never happen to me.
- Allow allegations to go unchallenged, unrecorded and unreported.
- Use any kind of physical punishment or chastisement such as smacking, hitting or rough handling.
- Engage in rough or physical games including tickling or horseplay.
- Use any racist, sexist, discriminatory or offensive language.
- Use an aggressive tone of voice whilst speaking to children, young people and adults at risk.
- Develop inappropriate relationships such as contact with children and young people that is not a part of the work of the project and agreed with the manager or leader. Sexual relationships between any adult member of staff or volunteer and a child, young person or adult at risk using Council services represents a serious breach of trust and are not permissible in any circumstances.
- Let children and young people have your personal contact details (mobile number, Facebook profile, any personal social media, address etc) or communicate on a personal level outside of the work environment.
- Allow abusive peer activities e.g. bullying.
- Use sarcasm or insensitive comments to children, young people and adults at risk.
- Act in a way that can be perceived as threatening, demeaning or intrusive.
- Make inappropriate promises to children and young people, particularly in relation to confidentiality.

Use of mobile phones and cameras

It is prohibited for staff to use their personal mobile phones to take pictures of the children, young people or adults at risk attending the council's services. In childcare settings, personal mobile phones will be stored in a pre-specified location whilst staff are on duty.

In Crawley Borough Council childcare settings, no cameras will be allowed to be used on the premises other than a camera belonging to the Council which is used with written parental permission.

17. Preventing radicalisation, terrorism and non-violent extremism

As part of Crawley Borough Council's safeguarding duties detailed in Section 26 of the Counter Terrorism and Security Act 2015, the Council is required to **protect** and **prevent** all vulnerable people, including children, young people and adults at risk from being drawn into radicalisation, terrorism and non-violent extremism.

The terms 'radicalisation, terrorism and non-violent extremism' are not focused on any one group or ideology. The Council is required to address vulnerabilities to radicalisation in **all its forms** including: the extreme far-right, the extreme far-left, groups such as Daesh, or any other form of extremist ideology.

Safeguarding vulnerable people from radicalisation is no different from safeguarding them from other forms of harm.

All staff, volunteers and elected members are required to record and report any concerns of children, young people and adults at risk from being drawn into terrorism, radicalisation and non-violent extremism.

Responding to disclosures, observations and suspicions

Please refer to page 9, this details how to respond appropriately to disclosures, observations and suspicions of any form of abuse and neglect. This includes any disclosures relating to vulnerable individuals at risk of being drawn into radicalisation, terrorism and non-violent extremism.

Referral process

Please refer to page 9 and the quick reference summary on page 15. As a normal safeguarding concern, these same referral procedures are used. The primary responsibility of staff, volunteers and elected members is to ensure that any relevant information is passed to one of the Council's Designated Safeguarding Officers (DSO's) without delay, who will then discuss any action or referral to the relevant authority or authorities. These include the Police, West Sussex County Council Children's Social Care and Adult's Social Care.

In addition to this, the DSO will inform the Prevent Coordinator or Community Development Manager for additional, specific advice or further referral to Channel (contact details are on the intranet under 'safeguarding').

What are Prevent and Channel?

Prevent is the Government's strategy to stop people becoming terrorists or supporting terrorism, in all its forms. Prevent works with individuals and communities by using voluntary early intervention to encourage them to challenge extremist and terrorist ideology and behaviour.

Channel is a specialist safeguarding panel which supports Prevent. It is a confidential and voluntary process where safeguarding professionals meet to discuss support options which can be offered to vulnerable residents.

18. E-safety

E-safety is the process of limiting risks to children, young people and adults at risk when using information and communications technology (ICT). E-safety is primarily a safeguarding issue, not a technological issue, which relates to the use of all ICT-fixed or mobile, current, emerging and future ICT. ICT is used daily as a tool to improve teaching, learning, communication and working practices to the benefit of our children and young people and those that work to support them. The use of ICT is recognised as being of significant benefit to all members of our community, in personal, social, professional and educational contexts. However alongside these benefits, there are potential risks that we have a statutory duty of care to manage, to ensure they do not become actual dangers to children and young people in our care or for employees.

Safeguarding against these risks is not just the responsibility of ICT departments, it is everyone's responsibility and this is reflected in the overall arrangements in place that safeguard and promote the welfare of all members of the community, particularly those that are vulnerable.

Much of the material on the internet is published for an adult audience and some is unsuitable for children and young people. In addition, there is information on weapons, crime, racism and extremist radicalisation that would be considered inappropriate. It is also known that adults who wish to abuse others may pose as another child/young person/peer to engage with them and then attempt to meet up with them. This process is known as 'grooming' and may take place over a period of months using chat rooms, social networking sites and mobile phones.

Cyberbullying is bullying through the use of communication technology and can take many forms e.g. sending threatening or abusive text messages or e-mails either personally or anonymously, making insulting comments about someone on a social networking site or blog or making/sharing derogatory or embarrassing videos of someone via mobile phone or e-mail.

As part of the ICT security policy, Crawley Borough Council requires all staff / volunteers to agree to the acceptable use policy before accessing the council's network.

Managing Incidents

It is unlikely that any child, young person or adult at risk is able to access any inappropriate online sites due to Crawley Borough Council's limited and controlled public points of access. However, if any member of staff, volunteer or elected member has any concerns about a child, young person or adult at risk being groomed or accessing inappropriate online content, the incident should be reported to a Designated Safeguarding Officer like any other potential abuse.

The LSO is responsible for ensuring that the following procedures are followed in the event of any misuse of the internet or Crawley Borough Council ICT systems involving children, young people or adults at risk:

If there has been inappropriate online contact, disclosed grooming, online bullying or any inappropriate or illegal websites viewed on CBC property:

- Report to the LSO, LDSO or a designated Safeguarding Officer,
- Advise the child, young person or adult at risk on how to terminate the communication and save all evidence,
- Contact the parent(s)/carer(s),
- Contact the police on 101 as appropriate,
- The LSO or LDSO may inform Children's or Adult's Social Care if appropriate,
- Log the incident, including the date and time and send a copy to the LDSO,
- Identify support for the child, young person or adult at risk.

If a child, young person or adult at risk discloses to any member of Crawley Borough Council staff, volunteer or elected member that they have accessed inappropriate or illegal online content, are being groomed, bullied or having contact with inappropriate online individuals or groups, it is the responsibility of all staff, volunteers and elected members to report this to a DSO. And for the DSO to report onto Adults or Children's social care as well as the Police, as appropriate (and following the procedures detailed in section 11, 12 and 13).

19. Designated safeguarding officers

Contact details for all of Crawley Borough Council's Designated Safeguarding Officers (DSO's) can be found on the intranet, within the safeguarding section.

All disclosures or suspicions must be reported to a Designated Safeguarding Officer.

The DSO is responsible for ensuring that all safeguarding and welfare concerns are reported to the relevant investigating agencies in accordance with this Safeguarding Policy and ensuring that information is recorded appropriately.

The specific functions of the DSO include:

- Acting as a source of support, advice and expertise when deciding whether to make a referral through liaison with the relevant agencies.
- Ensure consent has been appropriately sought when appropriate (see page 10).
- Supporting staff, volunteers and elected members to write and submit referrals.
- Ensuring that detailed, accurate and secure written records of referrals are recorded and kept and provide advice to staff that have concerns on what to record.
- Having a working knowledge of the Sussex safeguarding policies, procedures and relevant professional guidance.
- Challenging a referral not taken up by Children's and Adult's Social Care when it is considered an appropriate case.

In addition to the above, the Council's LSO and LDSO, have responsibility to:

- Monitor the number of safeguarding referrals and outcomes of these.
- Co-ordinate and deliver training to staff, volunteers and elected members in accordance with the West Sussex Training Framework.
- Liaise with and support the Council's DSOs.
- Facilitate an internal Safeguarding Working Group and cascade relevant information from the Local

Safeguarding Boards and the District/Borough Safeguarding Officer Group.

- Ensure policy and procedures are in place and up-to-date.
- Oversee the development, implementation and monitoring of an action plan developed and updated annually (as part of Section 11 Assessment) to ensure the Council's safeguarding responsibilities are effectively carried out.
- Ensure that arrangements are made to identify staff that require training in child and adult at risk protection issues within their responsive area.
- Ensure that copies of the policy and procedures are available in their respective service areas.
- Ensuring the Council meets its statutory requirements, as set out in this report, and responds to requests from the Local Safeguarding Boards.
- Representing the Council on formal investigations into allegations of abuse led by Children and Adult Services including Serious Case Reviews.
- Working with the corporate management team and elected members to ensure that the Council's Safeguarding Policy is reflected in the Council's practice.
- Ensuring the Council is represented on the Local Safeguarding Boards and the District/Borough Safeguarding Officer Group(s).
- Ensuring that the lead elected member for safeguarding is informed and updated.

20. Associated policies

This Safeguarding Policy should also be read in conjunction with the following Crawley Borough Council documents:

- Recruitment and Selection Procedures
- ICT and social media policies and procedures
- Corporate Equalities Statement
- Complaints & Comments Policy and Procedures
- Health and Safety Policy
- Whistle Blowing Policy
- Lone Working Procedure
- Disciplinary Procedures
- Officers' Code of Conduct
- Members' Code of Conduct
- Home Office Prevent Strategy

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EQUALITY IMPACT ASSESSMENT

Name of activity:	'Safeguarding Children, Young People and Adults at Risk Policy 2016'	Date Completed:	4/11/2016
Directorate / Division responsible for activity:	Community Services	Lead Officer:	Victoria Wise, Community Services Manager and Lead Designated Safeguarding Officer Chris Harris, Head of Community Services and Lead Safeguarding Officer
Existing Activity	x	New / Proposed Activity	<input type="checkbox"/>
		Changing / Updated Activity	<input type="checkbox"/>

What are the aims / main purposes of the activity? (Why is it needed? What are the main intended outcomes?)

To promote the safeguarding of children, young people and adults at risk through all services that Crawley Borough Council delivers.
 To consult with children, young people and adults at risk, so that they may help shape Crawley Borough Council's services.
 To ensure that all Crawley Borough Council staff (casual, temporary and permanent), volunteers and elected members understand that they have a duty to report allegations, disclosures and suspicions of abuse or neglect.
 To ensure that all staff are aware of their roles and responsibilities should an allegation, disclosure or suspicion of abuse or neglect occur.
 To ensure all staff are aware of their roles and responsibilities should an allegation regarding a member of staff occur.
 To ensure all staff are aware of behavioural expectations, to reduce the risk of false allegations.

What are the main actions and processes involved?

This policy seeks to ensure that all children, young people and adults at risk who come into contact with Crawley Borough staff, volunteers and elected members are fully safeguarded. It also seeks to ensure that all Crawley Borough Council staff, volunteers and elected members understand and carry out their safeguarding responsibilities effectively.

Who is intended to benefit & who are the main stakeholders? (e.g. tenants, residents, customers or staff. How will they benefit?)

The purpose of the policy is to protect and promote the welfare of the children, young people and adults at risk using or receiving services provided or commissioned by Crawley Borough Council. To also protect the council, its staff, volunteers and elected members.

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The ultimate beneficiary of this policy will be the local community – in particular children, young people and adults at risk. Crawley Borough Council has a duty to protect children, young people and adults at risk from maltreatment as well as a duty to prevent impairment.

Have you already consulted on / researched the activity? (What consultation has taken place & what were the key findings? What evidence already exists? Are there any gaps that need further investigation? What still needs to be done?)

The policy has been updated in-line with changes to legislation and statutory guidance. Other district and borough council safeguarding representatives across West Sussex have been liaised with to ensure parity where appropriate. Therefore it has been judged that full consultancy is not necessary for this policy. However, in-depth communication and (where relevant) training, with all staff, volunteers and elected members is key in delivery of this policy.

The policy works in association with the following Sussex safeguarding policies and procedures:

- Pan Sussex Child Protection and Safeguarding Procedures:
<http://sussex.procedures.org.uk/>
- Sussex Safeguarding Adults' Policy and Procedures:
<http://sussexsafeguardingadults.procedures.org.uk>

The policy is in-line with legislation and statutory guidance (detailed under evidence).

Impact on people with a protected characteristic (What is the potential impact of the activity? Are the impacts high, medium or low?)

Protected characteristics / groups	Is there an impact (Yes / No)	If Yes, what is it and identify whether it is positive or negative
Age (older / younger people, children)	No	The policy applies to people of all ages
Disability (people with physical / sensory impairment or mental disability)	Yes	Positive - The policy applies to all children and young people equally. With regards adults at risk – one of the criteria for establishing whether an adult is at risk or not is whether they have needs for care and support. Therefore disability could meet this part of

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		the criteria.
Gender reassignment (the process of transitioning from one gender to another.)	No	The policy makes no reference to gender and is applied equally to all children, young people and adults at risk.
Race (ethnicity, colour, nationality or national origins & including gypsies, travellers, refugees & asylum seekers)	No	The policy makes no reference to race and applies equally to all children, young people and adults at risk. Although cultural and language issues may need to be recognised and addressed.
Religion & belief (religious faith or other group with a recognised belief system)	No	The policy makes no reference to religion or belief and applies equally to all children, young people and adults at risk.
Sexual orientation (lesbian, gay, bisexual, heterosexual)	No	The policy makes no reference to sexual orientation and applies equally to all children, young people and adults at risk.

What evidence has been used to assess the likely impacts? (e.g. demographic profiles, research reports, academic research, benchmarking reports, consultation activities, staff surveys, customer surveys, public surveys, complaints, grievances, disciplinary cases, employment tribunal cases, ombudsman cases, media reports)

Pan Sussex policies and procedures:

- Pan Sussex Child Protection and Safeguarding Procedures: <http://sussex.procedures.org.uk/>
- Sussex Safeguarding Adults' Policy and Procedures: <http://sussexsafeguardingadults.procedures.org.uk>

Legislation

- The Housing Act (1996)
- The Human Rights Act (1998)
- The Terrorism Act (2000)

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- The Licensing Act (2003)
- The Children Act (1989 and 2004)
- The Safeguarding Vulnerable Groups Act (2006)
- The Child Care Act (2006)
- The Equality Act (2010)
- The Care Act (2014)
- The Modern Slavery Act (2015)
- The Counter Terrorism and Security Act (2015)

Statutory guidance

- United Nations Convention on the Rights of the Child (1991)
- Department of Health 'No Secrets' (2000)
- Safeguarding children and young people from sexual exploitation (2009)
- Working Together to Safeguard Children (2015)
- What to do if you're worried a child is being abused (2015)
- FGM Mandatory Reporting Duty (2015)
- Information Sharing Guidance (2015)

Serious case reviews (for example, Victoria Climbié, Baby P, Orchid House, Rotherham etc) inform legislation and statutory guidance. The local West Sussex safeguarding boards respond to the recommendations from serious case reviews which feed into the Sussex policies and procedures too. Crawley Borough Council regularly reports into, and is audited by, the local WS safeguarding boards.

What resource implications are there to deliver actions from this EIA? (Quantify: people, time, budget, etc.)

For all employees who come into contact with children, young people and adults at risk, safeguarding is a fundamental part of their duties. The Lead Safeguarding Officer and Lead Designated Safeguarding Officer both have additional safeguarding responsibilities detailed in their job descriptions.

Specific staff across key teams have additional responsibilities as Designated Safeguarding Officers and are trained to a higher level.

Budget implications for regular training for all key teams across the Council.

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Outcome following initial assessment		
Does the activity have a positive impact on any of the protected groups or contribute to promoting equality, equal opportunities and improving relations within target groups?	Yes	If yes, record the evidence below. If no STOP and re-examine the activity. The policy supports the council's duties to protect children, young people and adults at risk from maltreatment and to prevent impairment.
Does the activity have a negative impact on any of the protected groups, i.e. disadvantage them in any way.	No	If yes, identify necessary changes and record appropriate actions below. If no, record the evidence and assessment is complete. The policy is fully compliant with the Equality Act and all relevant legislation, as detailed under evidence.

Decision following initial assessment			
Continue with existing or introduce new / planned activity	Yes	Amend activity based on identified actions	No

Action Plan (Has the EIA identified any positive or negative impact on any of the protected groups which requires action? E.g. adjustments to the approach or documents, changes to terminology, broadening parameters of policy, etc. If so record any actions to be undertaken and monitored)			
Impact identified	Action required	Lead Officer	Deadline
Ensuring all staff are aware of their safeguarding responsibilities.	Revision of all job descriptions to include reference to the safeguarding policy (also highlighted in the new Agency workers' contract)	Victoria Wise and Carron Burton	2017
Ensuring all staff are aware of their safeguarding responsibilities.	Ongoing relevant training and communication regarding safeguarding responsibilities for key staff – to be regularly reviewed, particularly after recommendations from serious case reviews, changes in legislation or statutory guidance.	Victoria Wise and Carron Burton	Ongoing

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Ensuring contractors are aware of their safeguarding responsibilities	Working closely with Procurement to ensure that safeguarding legislation is adhered to in all contracts.	Victoria Wise and Jo Newton-Smith	Ongoing
Ensuring all Elected Members are aware of their safeguarding responsibilities	Update Members induction handbook to include summary information and linking to the policy. Members' safeguarding seminars – if requested and appropriate.	Victoria Wise	

Monitoring & Review

Date of last review or Impact Assessment:	Not known
<p>It is recommended that this policy is reviewed whenever there are updates to relevant legislation and statutory guidance as and when required.</p> <p>Crawley Borough Council's safeguarding practices, policy, procedures and training plan are all audited in detail (through the Section 11 Audit) by the West Sussex Local Children's Safeguarding Board every two years. This is a statutory audit for all public sector organisations. In our last review, we had improved our rating and are currently designated as 'good'.</p> <p>Along with all other West Sussex district and borough councils, we are also required, on a quarterly basis, to report to both the Local Children's Safeguarding Board and the Local Adults' Safeguarding Board with all updates to our safeguarding practices as well highlighting any issues.</p>	Ongoing
Date of next 3 year Impact Assessment (from the date of this EIA):	November 2019

Date EIA completed:	4 November 2016
Signed by Person Completing:	Victoria Wise
Date Sent to HR and Equalities Team:	4 November 2016
Approved by Head of Service:	Chris Harris

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NB – The original signed hard copy & an electronic copy should be kept within your Department for audit purposes. Send an electronic copy to the OD Officer in HR & Development. Also, please complete the summary document overleaf. This will be included on the Council's website.

The EIA Toolkit provides guidance on completing EIAs & HR&D can provide further advice.

Crawley Borough Council Equality Impact Assessment



Completed Equality Impact Assessment	Key findings	Future actions
<p>Directorate / Division: Community Services</p> <p>Function or policy name: Safeguarding Children, Young People and Adults at Risk Policy 2016'</p> <p>Officer completing assessment (Job title): Victoria Wise, Community Services Manager and Lead Designated Safeguarding Officer</p> <p>Date of assessment: 4 November 2016</p>	<p>This policy is fit for purpose. It will be regularly reviewed and updated when changes to legislation or statutory guidance are implemented.</p> <p>All key staff have already received tailored training throughout 2015 and 2016 to ensure all are up-to-date with the current legislation, statutory guidance and best practice procedures.</p> <p>Once this policy is approved, all staff, volunteers and elected members will be communicated with to ensure that all have easy access to the revised policy and understand their responsibilities. Communications will be through all relevant channels including: the intranet, members' bulletin, Outline staff newsletter, Team Brief and posters on walls of depots for front-line staff.</p> <p>All staff will be sign-posted to contact the designated safeguarding officers for advice and to ensure the correct reporting procedures are followed.</p>	<p>Revision of all job descriptions to include reference to the safeguarding policy (also highlighted in the new Agency workers' contract)</p> <p>Ongoing relevant training and communication regarding safeguarding responsibilities for key staff – to be regularly reviewed, particularly after recommendations from serious case reviews, changes in legislation or statutory guidance.</p> <p>Working closely with Procurement to ensure that safeguarding legislation is adhered to in all contracts.</p> <p>Update Members induction handbook to include summary information and linking to the policy. Members' safeguarding seminars – if requested and appropriate.</p>

Crawley Borough Council

Report to Cabinet
8 February 2017



2016/2017 Budget Monitoring - Quarter 3

Report of the Head of Finance, Revenues & Benefits, **FIN/403**

1. Purpose

- 1.1 The report sets out a summary of the Council's actual revenue and capital spending for the third Quarter to December 2016. It identifies the main variations from the approved spending levels and any potential impact on future budgets.

2. Recommendations

2.1 **The Cabinet is recommended to:**

- a) **Note the projected outturn for the year 2016/2017 as summarised in this report.**

2.2 **That the Full Council be recommended to:**

- b) **Agree the allocation of £50,000 funded from in year underspends to set up a budget to support the procurement of a new Leisure contract for the period after November 2018 as set out in section 6.2.**
- c) **Agree that the Constitution be amended to delegate to following responsibility to the Head of Finance, Revenues and Benefits in relation to Virements and Other Spending Limits (paragraph 3 of the Financial Procedure Rules):**

“Virements of up to £50,000 from in year underspends between existing budgets which do not commit the Council to future years expenditure.”

3. Reasons for the Recommendations

To report to Members on the projected outturn for the year compared to the approved Budget.

4. Background

- 4.1 As part of the Budget Strategy, the Council has in place robust budget monitoring systems to ensure that unapproved overspends are avoided. The Council also manages and analyses underspending to identify potential savings that could help meet current and future years' priorities.
- 4.2 Budget monitoring is undertaken on a monthly basis with budget holders. There are quarterly budget monitoring reports to Cabinet with the Corporate Management Team receiving monthly update reports on key areas and any other areas of concern. The Overview and Scrutiny Commission also have the opportunity to scrutinise expenditure. Quarterly monitoring information is also included in the Members Information Bulletin.

4.3 This report outlines the projected outturn for 2016/2017 as at the end of December 2016.

5. Budget Monitoring Variations

5.1 General Fund

The table below summarises the projected variances in the relevant Portfolio at Quarter 3.

[F indicates that the variation is favourable, U that it is unfavourable]

Further details of these projected variances are provided in Appendix 1(i & ii) attached to this report.

	Variance at Quarter 3 £'000		Variance at Quarter 2 £'000
Cabinet	(100)	F	(119)
Public Protection & Community Engagement Resources	1	U	(1)
Environmental Services & Sustainability	(231)	F	(211)
Housing	(99)	F	(226)
Wellbeing	179	U	207
Planning & Economic Development	(117)	F	(153)
	(837)	F	(727)
Investment Interest	125	U	146
Transfer to Tilgate Park investment reserve	107		130
TOTAL SURPLUS	(976)	F	(954)

5.2 Significant variations over £20,000

5.2.1 Cabinet

The vacancy and reduced hours previously reported within the Finance Team will now be offset by one off voluntary redundancy costs as part of a proposed restructure.

Recruitment costs for the replacement of the Chief Executive are forecast to be £25,000.

The subscription to Gatwick Diamond is now being funded from the West Sussex business rates pool; in addition other corporate subscriptions that have been cancelled resulting in a projected underspend of £20,000. The 2017/18 budgets have been reduced accordingly.

5.2.2 Public Protection & Community Engagement

There are no significant variations to report this quarter.

5.2.3 Resources

The Contact Centre vacancies previously reported has risen to £70,000 for the third quarter from £50,000 reported at Quarter two.

The relocation of the data centre is a major project for the IT service. This has required significant upgrading of our network infrastructure, development of a wide area network and a business continuity centre for staff at the Bewbush Centre. During the project preparation stage some key members of the IT team left the authority and this created a significant skills gap within the team. Additional technical and project management consultancy services have been bought in it to support the relocation and progress other projects leading to a projected overspend of £60,000 on the IT staffing revenue budget. It is planned to recruit to the vacancies once the relocation is completed to resolve the skills shortage.

The Print Service vacancies together with reduced mailing costs have also increased the projected underspend to £37,000 compared to £15,000 reported in Quarter two.

5.2.4 Environmental Services & Sustainability Services

A number of high risk food imports subject to official controls have been de-listed further to ongoing surveillance from EU Port Health Authorities. A large number of these products arrive at Gatwick airport. The amount of fees and charges that can be recovered has therefore been significantly reduced. This under recovery has been partly offset by a reduction in the costs of providing this service but this still leaves a net shortfall of £50,000. These budgets have been adjusted for 2017/18.

Parts of the Environment Service have gone through a systems thinking review. To ensure the continuation of the service additional staff resources were required and have resulted in a projected over spend of £60,000.

5.2.5 Housing Services

Temporary accommodation – The over spend based on an expectation that placements in nightly paid accommodation has slightly reduced from November onwards as a result of temporary changes to policy.

5.2.6 Wellbeing

Tilgate Park & Nature Centre are projecting a slight reduction income and as a result are projecting a surplus of £107,000 at quarter 3 compared to £130,000 projected at quarter two. This surplus will be transferred to a reserve for reinvestment in the park.

5.2.7 Planning & Economic Development

Development Management has continued to benefit from an increase in planning application income by a further £60,000 above the £120,000 reported in Quarter 2.

The joint partnership with Horsham for the provision of Building control is expected to generate £50,000 more income than budgeted. The 2017/18 budget includes a revision of this income target.

5.2.8 Investment Income

Higher balances has had a positive impact on the interest earned and therefore the position has improved by £25,000 on the Quarter 2 update.

6. Virements

Virements up to £50,000 can be approved by Heads of Service under delegated powers and reported to Cabinet for information.

- 6.1 Within the Capital Programme a review of the K2 Crawley - Pool Timing equipment works due to take place in 2017/18 identified that the current budget of £65,000 is insufficient to carry out the required work. This is due to technical changes in requirements requested by FINA, (the International Governing body for Swimming) and new technologies.

There is an underspend of £10,000 on the K2 Crawley Door Replacement programme. In addition, the replacement of K2 Crawley Chemical Controllers with a budget of £10,000 is not required, as the existing plant has been maintained to a high standard by the contractor. These two budgets totalling £20,000 have been vired with the approval of the Head of Partnership Services to the 2017/18 – Timing Equipment budget. This is to enable the timing equipment work to be carried out to meet FINA requirements in readiness for the letting of the sport and leisure management contract.

- 6.2 The leisure management contract for K2 Crawley expires in November 2018 and the work to procure a new contractor for the period after November 2018 has commenced. This work will incur some one-off costs for the Council, notably, building condition surveys, specialist leisure management market advice to ensure the contract delivers maximum value for the Council and any associated building works to ensure the full income potential from the procurement exercise is realised. It is proposed that a budget of £45,000 is created funded from the in-year underspend to meet the building and associated procurement contract costs. Any unspent amount in the current financial year to be transferred to a reserve for the K2 Crawley contract.

7. Council Housing Service – Revenue

- 7.1 The table below provides details of the 2016/2017 HRA variances.

**HOUSING REVENUE ACCOUNT
QUARTER 3**

	Q3 Variation £000's		Q2 Variation £000's
Income			
Rental Income	(292)	F	(304)
Other Income	181	U	234
Interest Received on balances	21	U	21
	(90)	F	(49)
Expenditure			
Employees	(74)	F	(70)
Repairs & Maintenance	(12)	F	42
Other running costs	(6)	F	(56)
Support services	0		0
	(92)	F	(84)
Net (Surplus) / Deficit	(182)	F	(133)
Available to fund future investment in housing	182		133

Further details of these projected variances are provided in Appendix 1(iii & iv).

- 7.2 The reduction in shortfall in "Other Income" refers to the delay to the previously reported proposal to remove the Supporting People charges from 1st December which will now be deferred until 1st April 2017. As a result the previously reported underspends on the "Other Running Costs" will now be adversely affect by the reinstatement of the use of Supporting payments used to credit the accounts for those customers eligible for funding.
- 7.3 Underspends and efficiencies of £50,000 on Repairs & Cyclical Maintenance from several budget areas have been identified at Quarter 3.

8. Capital

- 8.1 The Table below shows the 2016/17 projected capital outturn and proposed carry forward into 2017/18. Further details on the Capital Programme are provided in Appendix 2 to this report.

	Approved Budget 2016/17	Spend to Qtr 3	Estimated Outturn 2016/17	Re-profiled (to)/from future years	Over (Under) Spend
	£000's	£000's	£000's	£000's	£000's
Cabinet Resources	2,600	821	2,033	(517)	(50)
Environmental Services & Sustainability	629	497	637	(32)	40
Planning & Economic Development	2,927	567	1,349	(1,528)	(50)
Public Protection & Community Engagement	7,899	7,899	7,899		
Housing Services	139	15	89	(50)	
Wellbeing	1,022	838	1,022		
	3,615	1,796	3,168	(430)	(18)
Total General Fund	18,831	12,433	16,197	(2,557)	(78)
Council Housing	15,943	9,278	14,707	(1,236)	
Total Capital	34,774	21,711	30,904	(3,793)	(78)

- 8.2 The original start date for the Queens Square Regeneration project was June 2016, however due to delays in getting some of the planning conditions signed off prior to commencement of the works and retailers opposition to starting the project during the school summer holidays, the start date was delayed until September 2016. This has resulted in £487,000 of the approved budget being moved to 2017/18
- 8.3 The size of the additional Solar PV system installed at K2 Crawley was reduced, due to technical difficulties with UK Power Network approvals. Consequently there is reduced expenditure in the current financial year and a reduction in the planned overall programme Solar PV installation programme. This has resulted in £30,000 budget being moved to 2017/18 and £50,000 of unrequired budget being returned to the capital reserves.
- 8.4 The cost of licences and equipment for the relocation of data centre have extended beyond initial projections, causing the Relocation of the Data Centre project to overspend by £40,000.
- 8.5 Value engineering had to be carried out to bring the new cemetery back into budget, this resulted in the contractors not starting on site until September. Initially the contractors were confident that lost time could be pulled back, unfortunately due to inclement weather this has not been the case. This has resulted in the £260,000 of the New Cemetery budget being moved to 2017/18.
- 8.6 The K2 Crawley Heat Network tender is underway, however outstanding technical issues, around the amount of energy that can be sold back to the grid and the modifications required to the plant to allow effective functioning of the new heat system, are currently being resolved. These technical issues have resulted in the installation of the CHP being moved back to Q1 2017/18 and the allocation of £400,000 for this installation has been moved accordingly.
- 8.7 The Boulevard Cycle Path project with a budget of £94,000 has moved to 2019/20 to allow time to take into account both the design work currently being undertaken in relation to the Town Hall site and the outcome of a wider feasibility study looking at

potential highway improvements along The Boulevard, therefore avoiding any unnecessary or abortive work to be carried out.

- 8.8 Due to residents' queries and comments the four 2016/17 Residential Improvement schemes were delayed at the consultation phase, this has subsequently resulted in a delay in applying for the planning permission. As a result £269,000 of the Residential Improvement programme budget has been moved to 2017/18.
- 8.9 It is now anticipated that two Comsip schemes scheduled for 2016/17 will not be completed until spring 2017/18. This has resulted in £50,000 of the 2016/17 budget being moved to 2017/18.
- 8.10 The Ifield Mill Pond contingency for the remaining landscape and boom work has been reduced from £65,000 to £15,000 as a result a further £50,000 underspend can be reported.
- 8.11 The twelve 2016/17 flood alleviation projects have been deferred until 2017/18 while a review of the flooding schemes takes place. This has resulted in £504,000 flood alleviation budget being moved to 2017/18.
- 8.12 After carrying out soft market testing and discussions with suppliers it was evident that a Hawth Flat Floor replacement could be delivered to the original specification with possible savings against the original budget. A review of the quotations against the specification, resulted in the Flat Floor Replacement being delivered with a saving of £18,000 against the original budget whilst still providing a high quality solution. The under spend has been returned to capital reserves.
- 8.13 To ensure the K2 Crawley facilities will be in a strong marketing position in readiness for the letting of the sport and leisure management contract, the Sauna/Steam Room will be carried out in conjunction with gym extension works, due to take place in spring 2017. This has resulted in the £40,000 Sauna & Steam room budget being moved to 2017/18.
- 8.14 The new museum exhibition fit out was originally due to take place in financial year 2016/17, due to issues with listed building planning consent exhibition fit out will now take place in financial year 2017/18. As a result £250,000 of the New Museum budget has been moved to 2017/18.
- 8.15 The Ifield Community Facilities budget of £22,000 has been moved to 2017/18, while the condition of Dobbins Pond continues to be monitored regarding the need for the installation of a pump.
- 8.16 The installation of the play area at Broadfield Barton has been delayed due to legal reasons, although the Church (the land owner) are happy to lease the land to CBC on a long-term basis – their solicitors are still working with the Charity Commission to agree the detail of the lease. Legal Services are leading on this, as soon as the lease is signed, the play area can be installed. We now anticipate this happening in 2017/18, therefore the £57,000 budget has moved to 2017/18.
- 8.17 Within the Tilgate Park & Nature Centre Five Year Plan, the improvements relating to Lighting, Events Arena and Stables have been postponed into 2017/18 due to scope revisions on other project areas for the New Toilet Building and upgrades to The Barn, therefore £40,000 budget has been moved to 2017/18.
- 8.18 HRA Programmed Repairs:
Following the decisions of the Planning Committee on 3rd January to refuse the application for the hostel developments at 5 & 13 Perryfield Road, other options for the sites will be considered. This has resulted in £120,000 Hostels budget allocation being moved to 2017/18.

Tenders for 151 London Road have been returned but do not provide value for money. Therefore the £50,000 programmed repairs budget allocation for 151 London Road has been moved to 2017/18 to enable alternative options for the site to be considered.

- 8.19 Breezehurst phase 2 prelims have been deferred pending a review of the HRA own build programme. Therefore £95,000 of the HRA prelims budget has moved to 2017/18.
- 8.20 A recent review of the Forge Wood phasing has resulted in 2016/17 projected capital spend being reduced from £2.5 million to £1.529 million. Therefore £971,000 of the 2016/17 Forge Wood budget has been moved to 2017/18.
- 8.21 In the third quarter of 2016/2017 13 Council Houses with a sale value of £1,962,300 were sold compared to twenty seven in the third quarter last year. Of these receipts £260,000 was paid over to the Government with the balance being retained by the Council with £195,618 available for general capital expense and £1,537,959 set aside for 1-4-1 receipts. [The 1-4-1 arrangement is one where the Council retains a larger proportion of right to buy receipts than they otherwise would, in return for a commitment to spend the additional receipts on building or acquiring properties.]
- 8.22 The total cumulative 1-4-1 receipts retained is £20,324,364 which can be used to fund 30% of any expenditure on new affordable housing. It cannot be used on schemes supported by HCA Funding.
- 8.23 To date, £9,313,654 of 1-4-1 receipts has been used to partially fund the purchase of properties. Any unused 1-4-1 receipts that are unspent within 3 years are to be returned to the Government with interest. The risk of returning any unspent 1-4-1 receipts is managed by closely monitoring all affordable housing schemes.

9. Background Papers

Budget and Council Tax 2016/17 Cabinet 10 February 2016 Fin/380

Budget Monitoring Quarter 2 Cabinet 30th November 2016 Fin/395

Budget Monitoring Quarter 1 Cabinet 5th October 2016 FIN/392

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Appendix 1 (i)

	Original Estimate £000's	Latest Estimate £000's	Projected Outturn £000's	Variance £000's	
Cabinet	1,437	1,559	1,459	(100)	F
Public Protection & Community Engagement Resources	1,573	1,554	1,555	1	U
Environmental Services & Sustainability	1,286	1,270	1,039	(231)	F
Housing	5,984	6,027	5,928	(99)	F
Wellbeing	3,275	3,330	3,509	179	U
Planning & Economic Development	6,761	6,773	6,656	(117)	F
	(2,142)	(2,144)	(2,981)	(837)	F
	18,174	18,369	17,166	(1,204)	F
Depreciation & Capital Financing	(2,984)	(2,984)	(2,984)	0	
Renewals Fund	400	388	388	0	
NET COST OF SERVICES	15,590	15,773	14,569	(1,204)	F
Interest on Balances	(1,118)	(1,118)	(997)	121	U
<i>Transfer to Tilgate Park investment reserve</i>			107	107	U
Grant Funding	0	(183)	(183)		
Council Tax	(6,387)	(6,387)	(6,387)	0	
RSG	(1,776)	(1,776)	(1,776)	0	
NNDR	(4,279)	(4,279)	(4,279)	0	
New Homes Bonus	(1,881)	(1,881)	(1,881)	0	
Section 31 Grants	(582)	(582)	(582)	0	
				0	
	(16,022)	(16,204)	(15,976)	228	U
Net contribution from / (-to) Reserves	(432)	(432)	(1,407)	(976)	F

Main Variations identified for 2016/17 - General Fund

	Q3 Variation £000's	Q2 Variation £000's	
1 <u>Cabinet</u>			
Corporate Policy - NGDP vacant post	(40)	(30)	one-off
Finance - vacancies and reduced hours. Now offset by one off redundancy costs	0	(26)	ongoing
Revenue Collection - vacancy	(30)	(30)	one-off
Communications - vacancies	(20)	(20)	one-off
Chief Executive recruitment costs	25		One-off
Corporate Subscriptions	(20)		ongoing
Minor variations	(15)	(13)	
	(100)	(119)	
2 <u>Public Protection & Community Engagement</u>			
Minor variations	1	(1)	
	1	(1)	
3 <u>Resources</u>			
Contact Centre - Review of management roles with the potential to save one post	(70)	(50)	ongoing
Legal & Democratic Services - vacancies	(70)	(65)	one-off
Savings in members NI and members training	(22)	(22)	one-off
Additional cost of Individual Electoral Registration	18	35	ongoing
ICT staff vacancies	(30)	(30)	one-off
Data Centre consultancy	60	0	one-off
HR staff vacancies	(20)	(20)	one-off
Town Hall maintenance cost reduction and Civic Hall increased income	(44)	(35)	one-off
Print Services - vacancies	(37)	(15)	one-off
Minor variations	(16)	(9)	
	(231)	(211)	

	Q3 Variation £000's	Q2 Variation £000's	
4 <u>Environmental Services & Sustainability</u>			
Community Warden vacancies	(130)	(130)	ongoing
Corporate Support Team - Salary surplus budget retained following last year's Admin Review, together with current part-year under spend due to vacant periods/grade changes.	(60)	(60)	ongoing
New stationery contract savings	(20)	(20)	ongoing
Green waste service - additional income.	(20)	(20)	ongoing
Port Health income shortfall net of reduced running costs	50		ongoing
Environmental Services Teams System Thinking backfilling of posts	60		one-off
Minor variations	21	4	
	(99)	(226)	
5 <u>Housing</u>			
Temporary accommodation - over spend based on an expectation that placements in nightly paid accommodation fell slightly from November onwards as a result of temporary changes to policy.	220	240	ongoing
Housing Services - staff vacancies	(30)	(30)	one-off
Minor variations	(11)	(3)	
	179	207	
6 <u>Wellbeing</u>			
Expected net additional income at Tilgate in line with five-year development plan.	(107)	(130)	ongoing
Community Services Officer vacancies	(30)	(40)	one-off
Minor variations	20	17	
	(117)	(153)	

7 Planning & Economic Development

Forward Planning - Staff savings pending 2016/17 service review

Development Management - agency staff whilst undertaking service restructure. Recruitment underway and staff expected to be in place by the third quarter.

Development Management - increase in planning application income

Commercial property income - increased rent base as a result of new investment property, including Ashdown House.

Built Environment Team - vacant officer hours

Building Control income

Minor variations

TOTAL GENERAL FUND VARIANCES

	Q3 Variation £000's	Q2 Variation £000's	
	(130)	(130)	ongoing
	95	95	one-off
	(180)	(120)	one-off
	(560)	(560)	ongoing
	(20)	(20)	ongoing
	(50)		ongoing
	8	8	
	(837)	(727)	
	(1,204)	(1,230)	

8 Investment interest below budget

9 Transfer to Tilgate Park investment reserve

TRANSFER TO GENERAL FUND RESERVE

	Q3 Variation £000's	Q2 Variation £000's	
	121	146	ongoing
	107	130	
	(976)	(954)	

Appendix 1 (iii)

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate £'000s	Projected Outturn £'000s	Variation £'000s
Income			
Rental Income	(45,028)	(45,320)	(292)
Other Income	(2,456)	(2,275)	181
Interest received on balances	(77)	(56)	21
Total income	(47,561)	(47,651)	(90)
Expenditure			
Employees	3,618	3,544	(74)
Repairs & Maintenance	11,342	11,330	(12)
Other running costs	2,352	2,346	(6)
Support services	2,645	2,645	0
	19,957	19,865	(92)
Net (Surplus) / Deficit	(27,605)	(27,786)	(182)
Use of Reserves:			
Debt Interest Payments	8,309	8,309	0
Depreciation, Revaluation & Impairment	0	0	0
Financing of Capital Programme & Transfer to Housing Reserve for Future Investment	19,296	19,478	182
Total	27,605	27,786	182

F
U
U

F

F
F
F

F

F

Main Variations Identified - Housing Revenue Account

	Q3 Variation £'000s	Q2 Variation £'000s
Income		
WSSC Funding reduction for Supporting people from 1st October	61	61
Shortfall in Supporting people income now reinstated following delay in Removal of Alarm and Support charges - now effective April 2017	0	58
Kilnmead Car Park lease income – now shows a reduction on the previously reported figure as new operator taken over lease.	(45)	(57)
Interest on Balances - interest rates reduction	21	21
Shortfall in reimbursement from WSSC for recovery of Think Family costs due to Vacant posts	72	72
Additional Dwellings Rental income - under review	(226)	(226)
Minor Variations	27	23
	(90)	(49)
Employees		
Leasehold Services – vacancies and re-evaluated posts	(52)	(47)
Sheltered Management back-filling of staff during systems thinking review	78	70
Housing Management vacant hours and periods when full time posts were un-filled whilst recruitment was underway	(42)	(40)
Vacant posts in Think Family (recovered as above)	(53)	(54)
Minor Variations	(5)	1
	(74)	(70)
Repairs & Premises Costs		
Cost of Asbestos Surveys increased due to change in legislation within the void properties	40	40
Repairs and Cyclical Planned Servicing underspends	(51)	
Minor Variations	(1)	2
	(12)	42
Other Running Costs		
Supporting People payments for Customers Eligible for Funding (associated with loss of income as above from WSSC)	(16)	(74)
Minor Variations	11	18
	(6)	(56)
TOTAL VARIANCES	(182)	(133)

2016/17 Qtr3 Capital Appendix

Portfolio Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Cabinet	2,600	821	2,033	(517)	(50)	3,149	2,971	
Resources	629	497	637	(32)	40	92		
Environmental Services & Sustainability	2,927	567	1,349	(1,528)	(50)	2,036	1,497	94
Planning & Economic Development	7,899	7,899	7,899			5,000	1,700	
Public Protection & Community Engagement	139	15	89	(50)		50	70	
Housing Services	1,022	838	1,022			881	1,996	
Wellbeing	3,615	1,796	3,168	(430)	(18)	2,299	272	
Total General Fund	18,831	12,433	16,197	(2,557)	(78)	13,507	8,506	94
Housing Revenue Account	15,943	9,278	14,707	(1,236)	0	39,718	38,187	5,667
Total Capital	34,774	21,711	30,904	(3,793)	(78)	53,225	46,693	5,761

Cabinet Portfolio - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Town Centre	5	5	5			970	1,916	
Queens Square Env Improvements	1,500	349	1,013	(487)		1,899		
Queensway	15	9	15			30	1,055	
Broadfield Barton	116	102	116					
Town Hall Refurbishment	305	108	305					
Town Hall - Air Conditioning	22		22					
Town Hall Toilet Refurbishment	21	19	21					
New Town Hall Design & Development	40		40					
Solar PV CBC Operational Buildings	314	136	234	(30)	(50)	250		
Southgate Maisonette Works (PM)	93	93	93					
Town Hall - Maintenance (PM)	170	0	170					
Total	2,600	821	2,033	(517)	(50)	3,149	2,971	0

Resources - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
ICT Capital - Future Projects	32			(32)		32		
On Line Self Service	110	56	110					
FMS Enhancements	5		5					
Enterprise Content Migration	67	11	67			60		
Relocation Of Data Centre	350	390	390		40			
ICT Replacements	14		14					
Veeam Backup Solution	45	39	45					
Windows Server 2003 Upgrade	6		6					
Total	629	497	637	(32)	40	92	0	0

Environment Services & Sustainability Portfolio - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
New Cemetery	904	287	644	(260)		597		
Cycling Signage	15		15					
K2 Heat Network (Heat & Power)	400			(400)		400	250	
Cycle Paths	58		58					
Boulevard Cycle Path	100	6	6	(94)				94
Sussex House Cycle Path	54	44	54					
Env Imp Future Schemes	30	4	5	(25)		25	1,247	
Ifield Drive	52	30	50	(2)		2		
Camber Close	77	4	10	(67)		67		
Lavant Close	84	6	12	(72)		72		
Fisher Close	56	5	10	(46)		46		
Scallows Close	69	6	12	(57)		57		
Flooding Emergency Works	18	8	18			20		
Ifield Mill Pond Improvements	257	31	207		(50)			
Tilgate (EA Flood Alleviation)	28	22	28					
Grattons Park	14		14					
Creaseys Drive (Flood Works)	112			(112)		112		
Operation Watershed	5	5	5					
Cheals Broadfield Pond	9	3	9					
Titmus Lake	47	5	20	(27)		27		
Stafford Bridge H&S Improvements (Fld Wks)	90	10	10	(80)		80		
Waterlea (Flood Works)	70	13	20	(50)		50		
Billington Drive (Flood Works)	28			(28)		28		
Tilgate Silt Lake (Flood Works)	65	21	65					
Leat Stream Flood Alleviation	49		10	(39)		39		
Park Close (Flood Works)	76	38	40	(36)		36		
Balcombe Road (Flood Works)	50	14	20	(30)		30		
Telemetry Measuring Equipment	30			(30)		30		
Northgate Add Flood Atten Work	47	3	5	(42)		42		
Crabbett Park Add Flood Works	33			(33)		33		
Future Years Flood Works		2	2		2	243		
Total	2,927	567	1,349	(1,528)	(50)	2,036	1,497	94

Planning & Economic Development Portfolio - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Investment Property Aquisition	7,899	7,899	7,899			5,000		
Manor Royal Business Group							200	
Three Bridges Station							1,500	
Total	7,899	7,899	7,899	0	0	5,000	1,700	0

Public Protection & Community Development - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Community Safety Initiatives	139	15	89	(50)		50	70	
Total	139	15	89	(50)	0	50	70	0

Housing Services - Scheme Description	2016/17 Latest Budget £000's	Spend to Date	Projected Outturn 2016/17 £000's	Slippage	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Housing Enabling						20		
Future Schemes							1,843	
Temp Accom Acquisitions						274		
Langley Green Affordable Housing	231	231	231					
Disabled Facilities Grants	716	554	716			537	48	
Home Insulation Grants	25	14	25					
Improvement/Repair Loans	50	39	50			50	105	
Total	1,022	838	1,022	0	0	881	1,996	0

Wellbeing Portfolio - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Hawth - Flat Floor	18				(18)			
Hawth - Flying Equipment	46	46	46					
Hawth Air Conditioning Replace						45		
Hawth Chaucer/Elgar Room Wks	25	25	25					
K2 Gym Equipment Replacement	22	20	22					
K2-Crib Wall								
K2-Door Replace H&F & Poolside	15	4	4	(10)				
K2-Poolside Sauna & Steam Room	40			(40)		40		
K2-Poolside Timing Equipment						85		
K2-Auto Chemical Contrrls (PM)	10			(10)				
K2-Fxd Plnt Energy Saving (PM)	17	11	17					
K2-Pool Filter Replacemnt (PM)	74	69	74					
K2-Replaster Sqsh Courts (PM)	21	21	21					
K2-Replace Artificial Turf Pitch							185	
K2-Expansion Of Fitness Area	80	51	80			916		
Vehicle Replacement Programme	139	138	139					
Travellers Prevention Measures	0	0	0			15		
Bewbush HLC - Gym Equipment	85	0	85					
New Museum Tree (HLF)	1,520	737	1,270	(250)		250		
Ifield Community Facilities	23			(23)		23		
Playgrounds Refurb Future Schemes	3	0	3					
West Green Play Refurbishments	10	0	10					
Adventure Playgrounds	0	0	0			400		
Cherry Lane Adv Playground	200	165	200					
Broadfield Barton -Play Refurb	57	0	0	(57)		57		
Maidenbower Play Refurbishment	65	1	65					
Wakehams P/H Play Refurbishment	0	0	0			65		
Halnaker Walk Play Refurbishment	49	0	49					
Play Refurb (2016/17 Type A)	40	26	40					
Furnace Green Play Refurb (2016/17)	65	61	65					
Lutyens Play Refurb (2016/17 Type B)	40	16	40					
Cherry Lane L/Green (2016/17 Play Refurb)	90	10	90					
Skate Park Equipment	0	0	0			46		
Cherry Lane CC Windows & Doors (PM)	10	0	10					
Community Centre Kitchen Refurb (PM)	14	14	14					
Hawth Fixed Plant Energy Savng (PM)	10	9	10					
Maidenbower CC Toilet Refurb (PM)	27	0	27					
Southgate West CC Roof Improvement (PM)	46	0	46					
Vehicle Workshop Heat Plant Rep (PM)	19	0	19					
Worth Park Discovery Trail	0	0	0			40		
Memorial Gardens Improvement	0	0	0			37		
Parks C/Pks Operational Improvements	30	30	30					
Parks Infrastructure	4	3	4					
Parks & Open Spaces Spend To Save	11	0	11					
Tilgate Park & Nature Ctre Five Year Plan	610	304	570	(40)		280	87	
Railey Road Allotments	9	0	9					
Ifield Road West Greenn Allotments	9	7	9					
Tilgate Park Access Road	64	29	64					
Total	3,615	1,796	3,168	(430)	(18)	2,299	272	0
Total General Fund	18,830	12,432	16,197	(2,557)	(78)	13,507	8,506	94

HRA - Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Capitalisation Of Repair Work	300		300			500	500	
Programmed Repairs	9,125	5,845	8,955	(170)	0	11,200	9,380	0
Adaptations For The Disabled	300	63	300			300	300	
Disabled Adaptations-Major Room	900	553	900			900	900	
Total HRA Improvments	10,625	6,460	10,455	(170)	0	12,900	11,080	0

Scheme Description	2016/17 Latest Budget £000's	Spend to Date £000's	Projected Outturn 2016/17 £000's	Slippage £000's	(Under)/ Over Spend £000's	2017/18 Latest Budget £000's	2018/19 Latest Budget £000's	2019/20 Latest Budget £000's
Breezehurst Drive & Brunel Place	6	6	6					
Acquisitions Buy Back Of Dwgs		60						
Acquisitions Of Land						1,000	500	
Purchase Of Properties						2,000	1,000	
Kilnmead	20	34	20			3,628	2,000	
Gales Place	1,952	1,540	1,952					
Southern Counties Hsg						2,667	7,998	
Telford Place Development	30	17	30			570	5,700	5,667
Woolborough Road Northgate	26		26			1,143	657	
Goffs Park (Depot Site)	200	119	200			4,000	3,386	
83-87 Three Bridges Road	400	199	400			2,399		
Dobbins Place	50	22	50			1,157	189	
Barnfield Road	24		24			850		
Forge Wood	2,500	816	1,529	(971)		6,809	4,517	
257/259 Ifield Road	10		10			500	760	
Prelims	100	5	5	(95)		95	400	
Total Other HRA	5,318	2,817	4,252	(1,066)	0	26,818	27,107	5,667
Total HRA	15,943	9,278	14,707	(1,236)	0	39,718	38,187	5,667
Total Capital Programme	34,774	21,711	30,904	(3,793)	(78)	53,225	46,693	5,761

Funded By								
Capital Receipts	7,452	2,869	4,919	(2,315)	(78)	12,157	8,419	
Capital Reserve	7,899	7,899	7,899					
Disabled Facilities Grant	716	524	716			378		
Lottery & External Funding	1,825	433	1,678	(147)		854		
1-4-1 Receipts	1,627	693	1,339	(291)		5,217	7,939	1,700
MRR	14,547	9,111	13,599	(945)		34,501	30,248	3,967
Replacement Fund/Revenue Financing	453	138	453			23	87	
Section 106	255	44	301	(94)		95		94
TOTAL FUNDING	34,774	21,711	30,904	(3,793)	(78)	53,225	46,693	5,761

Report to Cabinet 8 February 2017

Crawley Borough Council Statement of Community Involvement

Report of the Head of Strategic Housing and Planning Services, **SHAP/57**

1. Purpose

- 1.1 The requirement to produce a Statement of Community Involvement (SCI) stems from Section 18 of the Planning & Compulsory Purchase Act (2004). The role of the SCI is to set out the different ways in which communities and individuals can participate in the planning process, and to explain how the Council will involve them.
- 1.2 The Council is required to update its SCI on a regular basis. Having adopted its current SCI on 14 December 2011, there is a need for the Council to update the document in order to take account of changes in national and local planning policy.
- 1.3 An update to the SCI has therefore been prepared. This was published for public consultation between 3 November and 16 December 2016, and has been amended to take account of the feedback received.

2. Recommendations

- 2.1 That the Cabinet:
 - a) Adopt the updated Statement of Community Involvement (February 2017), as identified in Enclosure A.
 - b) Delegate authority to the Head of Strategic Housing and Planning Services in consultation with the Cabinet Member for Planning and Economic Development to approve and adopt future updates of the Statement of Community Involvement.

3. Reasons for the Recommendations

- 3.1 A number of changes have occurred since the SCI was adopted, both at a national level and also in terms of the council's own engagement approach, which mean that an update to the SCI is now required. These are summarised below:
 - i. **Legislative Changes:** The Government has introduced a significant amount of new/amended planning legislation and guidance since the SCI was adopted. This includes the National Planning Policy Framework (2012) and accompanying Planning Practice Guidance (2014), the Town & Country Planning (General Permitted Development) Order (as amended) 2015 and 2016 introducing Prior Approvals, and the Housing & Planning Act (2016).
 - ii. **Implementation of the Neighbourhood Planning Bill:** The Government has consulted on regulations to implement the neighbourhood planning provisions that are set out in the Neighbourhood Planning Bill. It proposes to introduce a

requirement for local planning authorities to review the Statement of Community Involvement at regular intervals, and at least every five years. If the LPA decides not to update its SCI, it must publish its reasons for considering that no revisions are necessary. The LPA will also be required to publish, through the SCI, how interested parties will be involved in the early stages of Plan making, and its policies for giving advice or guidance to groups wishing to prepare or update a neighbourhood plan. From the date the Bill gains Royal Assent, LPAs will have a period of 12 months to comply with these requirements.

- iii. **Development Management:** The way in which Development Management consult on planning applications was amended in November 2011, following a systems thinking review which sought to update the entire application process to deliver make it more efficient. The revised approach to notification is explained through the Statement of Community Involvement (2011). However, the 2011 SCI does not provide detail on more recent changes that have been made to the planning system, in particular changes to expand prior approval rights. The updated SCI therefore provides further information to explain the prior approval process.

4. Background

- 4.1 The council adopted its SCI in December 2011, and the engagement strategy it established ensured that the Crawley Borough Local Plan (2015) was shaped by effective and meaningful consultation. The adopted SCI is in two parts:
- *'Getting Involved...'* is a council-wide document which sets out how the council will involve people in decision making.
 - *'Getting Involved...in Planning'* is a separate appendix that explains the statutory consultation requirements of the planning system. It sets out how the council is able to involve people in the preparation of planning documents or when planning applications are submitted, and explains how people can participate in order to make their views known.
- 4.2 National legislation has since reiterated the status of the SCI as the key document detailing the different ways through which people can engage with the planning system. The updated SCI therefore focuses specifically on the planning process, detailing the different ways in which people can participate in preparation of planning documents, and explaining how they can make their views heard when a planning application is submitted. The updated document also provides more detailed guidance on the neighbourhood planning process to assist neighbourhood forums who may be interested in producing a neighbourhood plan.
- 4.3 The updated SCI was published for a six week period of public consultation from 3 November 2016 to 16 December 2016. A total of 11 responses were received, with respondents including public bodies such as the Environment Agency and Historic England, businesses and stakeholder groups including Gatwick Airport Limited and Manor Royal BID, and one member of the public.
- 4.4 Feedback received was broadly supportive of the SCI and its content. Gatwick Airport Limited and Manor Royal Business Improvement District noted that although they are not identified as statutory consultees by the Town & Country Planning Regulations, it can be beneficial to liaise with them at an early stage. One respondent felt that reference should be made in the document to the role of the Neighbourhood Forums. Feedback also drew attention to some minor typographic errors. These points have been addressed within the final SCI.

- 4.5 Full detail of all representations received, including detail of the Council's response and all changes made to the SCI as a result of feedback, is set out under Enclosure B of this report.

5. Description of Issue to be resolved

- 5.1 The Council is required to have in place an up to date Statement of Community Involvement. The Government is also proposing to stipulate that local planning authorities review the Statement of Community Involvement at regular intervals, and at least every five years.
- 5.2 The 2011 SCI was adopted by the Council prior to the coming into force of key national planning policy, including the NPPF, and local policy including the adopted Local Plan 2015. The 2011 SCI provides only limited information on neighbourhood planning, and does not provide guidance on the prior approval process.

6. Information & Analysis Supporting Recommendation

- 6.1 By adopting the updated 2017 SCI, the Council would be meeting the Government's requirement to review its SCI at least every five years. The updated 2017 SCI takes account of the most up to date position in relation to both national and local planning policy, and also provides more detailed guidance in relation to the prior approval process and neighbourhood planning.

7. Implications

- 7.1 Should the Cabinet adopt the 2017 SCI, the Council will meet the forthcoming Government requirement that local planning authorities update their SCI's at least every 5 years.
- 7.2 Should the Council decide not to adopt the updated 2017 SCI, it will need to publish its reasons for considering that no revisions are necessary. This approach would be difficult to justify given that the 2011 SCI does not currently refer to the most up-to-date planning legislation and guidance.
- 7.3 Should the Cabinet adopt the 2017 SCI, the revised document will supersede the 2011 SCI 'Getting Involved' and its planning specific appendix 'Getting Involved...In Planning'.

8. Background Papers

Statement of Community Involvement Consultation Draft (November 2016)
<http://www.crawley.gov.uk/pw/web/PUB298801>

Getting Involved...Crawley's Statement of Community Involvement (December 2011) <http://www.crawley.gov.uk/pw/web/int222284>

Getting Involved...In Planning: An Appendix to Crawley's Statement of Community Involvement (December 2011) <http://www.crawley.gov.uk/pw/web/int228455>

Adoption of 2011 SCI and Appendix: Decision of Full Council 14 December 2011:
http://www.crawley.gov.uk/pub_livx/groups/operational/documents/minutes/int227819.pdf

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Crawley Borough Council Statement of Community Involvement
A guide to participating in the planning system
February 2017

FRONT COVER

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Part 1: Introduction

What is the Statement of Community Involvement?

- 1.1 Welcome to Crawley's Statement of Community Involvement (SCI). This document has been produced to help explain how the planning system works and to set out the different ways in which the council will engage with people to enable their involvement in the planning process.
- 1.2 We are all affected by planning. The homes we live in, the places we work in, the open spaces where we relax and the roads we travel on are all a result of planning decisions that have been made. The way that Crawley develops in the future will be determined by planning, and it is important that people and organisations are able to participate in the planning process to put across their views and help inform the planning decisions that affect the town.
- 1.3 For many people, planning is something that they may get involved with only when they want to extend their house or there is a development proposal that directly affects them. Although this is certainly a valid reason for participating in the process, and this document explains the different ways in which you can comment on the different planning applications which the council has to determine, there are also ways to become involved at an early stage as the council prepares local planning documents and policies, and also the option for communities to develop their own Neighbourhood Plans.
- 1.4 The council's vision is for Crawley to be a friendly, prosperous, forward-looking and enjoyable town where people want to live, work, and visit. It is vital that the council understands the needs and aspirations of the people, communities and organisations who live and work in the borough, to ensure their needs can be considered in future plans. The SCI is therefore a document for anyone who wants to have a say in the planning decisions that affect Crawley. Its role is to explain when and how it is possible to interact with the planning system to enable people to have a meaningful say in the planning decisions that affect them.

About this document

- 1.5 The preparation of a Statement of Community Involvement (SCI) is a requirement of the Planning and Compulsory Purchase Act 2004 (as amended). The previous SCI was adopted by the council on 14 December 2011. Since this date, a number of changes to the planning system have taken place at national level, and there is an increasing expectation that Local Planning Authorities update their SCI on a regular basis.
- 1.6 This Statement of Community Involvement therefore takes account of new measures that have been introduced to the planning system since the last SCI was adopted in 2011. This includes the coming into force of the National Planning Policy Framework (2012) and supporting Planning Practice Guidance (2014), the greater flexibility introduced to the planning system through the national extension of permitted development rights, and the increasing role of neighbourhood planning. The document also takes account of the Crawley Borough Local Plan, which was adopted in December 2015, and supporting Supplementary Planning Documents which were adopted in October 2016.

- 1.7 This SCI was adopted by Crawley Borough Council's Cabinet on XXXXXX, and supersedes the 2011 SCI '*Getting Involved*' and its planning specific appendix '*Getting Involved...In Planning*'.
- 1.8 A period of public consultation on the SCI was carried out from 3 November until the 16 December 2016. Feedback received during the consultation has been taken into account in the preparation of this adopted SCI. Representations received during consultation, and the Council's response to this feedback, is set out in a consultation statement that accompanies this document. This can be viewed on the council's website at www.crawley.gov.uk/sci

Part 2: Introduction to the Planning System

How does the planning system work?

- 2.1 The role of the planning system is to ensure that the right type of development comes forward in the right place, at the right time, having regard to its impact on communities, the economy and the environment. It plays a critical role in identifying what development is needed and where, what areas need to be protected or enhanced, and in assessing if proposed development is suitable.
- 2.2 Local Government is responsible for administering most of the planning system, most specifically through preparing local planning documents, determining planning applications, and investigating and where necessary enforcing against unauthorised developments. These functions are dealt with by Crawley Borough Council.

What is Crawley Borough Council responsible for?

- 2.3 The council's planning responsibilities fall within two key areas:
- **Planning Policy** relates to the production of planning documents and guidance, such as the Local Plan, that are used to guide development in Crawley. The documents must comply with relevant government legislation and guidance, and there are specific regulatory procedures which must be followed during their production. This work is led by the Forward Planning team.
 - **Development Management** is responsible for the processing and determination of planning applications and prior approval notifications, as well as other applications relating to advertisements, listed buildings, conservation areas, and works to trees. The Development Management team also provide pre-application planning advice and investigate possible breaches of planning control.

What is Crawley Borough Council not responsible for?

- 2.4 There are some functions which are not the responsibility of Crawley Borough Council:
- Matters relating to education, transport, minerals and waste planning are the responsibility of West Sussex County Council.
 - Nationally significant infrastructure projects, for example power stations or major transport schemes, are administered by the Planning Inspectorate and determined by the Secretary of State.

Part 3: Making Decisions on Planning Applications

What is Development Management?

- 3.1 Development Management is the process through which decisions are made about the future use of a particular piece of land or building. The council receives around 1,000 applications every year, predominantly applications for planning permission, but also relating to listed building consent, prior approvals and notifications, works to protected trees, telecommunications and lawful development certificates.
- 3.2 The Development Management team is responsible for processing the applications that are received and validated by the council, forming a view as to whether or not an application should be permitted. In reaching a decision on a particular application, the council must have regard to all considerations that are material to the application. This includes assessing whether the application is consistent with the relevant national and local planning policies (known as the Development Plan), and having regard to the advice of statutory consultees such as the Environment Agency or Historic England, as well as feedback provided by residents and other interested parties.
- 3.3 Crawley Borough Council recognises that people will want to have a say about planning applications, particularly where they feel this could affect their property or area. Ensuring that people are able to feed into planning decisions is an important part of the planning system, and the feedback that is received must be considered by the council as part of the formal decision making process.
- 3.4 The Development Management process, including the way in which people are able to feed into planning decisions, is guided by statutory planning legislation. It can be a technical and sometimes challenging process, and this part of the SCI therefore sets out the different stages of the Development Management process, identifying and explaining when and how to make sure that your views are considered as the council determines an application.

Pre-application consultation

- 3.5 Pre-application consultation is an important way of enabling people to have a say on developments at an early stage in the process. The council does not undertake pre-application consultation. Rather, this would be undertaken by a developer before a planning application is submitted to the Local Planning Authority.
- 3.6 Pre-application consultation is valuable because discussions between local residents and a developer can identify potential problems or improvements that could be made to proposals at an early stage. Residents can benefit from this by providing their input to help ensure that the development is acceptable. It can also assist developers by raising awareness of proposals and potentially reducing the scope for objections at a later stage.
- 3.7 Development Management strongly recommend that developers undertake pre-application consultation with local residents prior to submitting any planning applications for major developments and other developments which would invoke significant public

interest. In some cases, it may also be beneficial to liaise with other organisations, such as business groups and statutory consultees at an early stage.

3.8 Developers undertaking pre-application consultation are asked to address the following:

- Set clear objectives and agree the consultation approach with Development Management, including who will be consulted.
- Be clear to publicise where and when any consultation event is to be held in order to maximise opportunities for people to participate.
- Let people know what the scheme is proposing, and be clear about what they can influence by making comments.
- Use different engagement approaches to maximise opportunities for people to influence the proposals. Particular steps should be taken to involve any groups or individuals that could be affected by a proposal.
- Submit a statement alongside the final planning application outlining any community involvement work that has been undertaken. This should include a summary of any responses received at the pre-application consultation stage, and should explain how feedback has influenced the proposals.

3.9 Much of Crawley is subject to **Gatwick Airport Aerodrome Safeguarding**, which is in place to ensure that development does not impact upon the operational integrity and safety of the airport. This can place restrictions on the type of development that is able to come forward. Particular consideration should be given to the heights of buildings and structures, as well as landscaping, lighting and renewable energy schemes. Developers are encouraged to consult with Gatwick Airport Limited (Aerodrome Safeguarding), who can be contacted via gal.safeguarding@gatwickairport.com, at an early stage.

3.10 The council currently offers a free pre-application advice service. The first stage in seeking pre-app advice from the council is to complete the 'planning enquiry' form that can be accessed via the council's website at www.crawley.gov.uk/planning by clicking on the 'Do I Need Permission?' link. The council's response can only be based on the level and quality of information that is provided, and as part of the enquiry form, developers will be asked to provide supporting information such as sketch drawings, written dimensions and photographs.

Planning application publicity

3.11 It is the council's responsibility to carry out consultation on planning applications through statutory publicity and notification¹. Once an application has been received and validated by the council, a Case Officer will be allocated, who is responsible for assessing the application and making a recommendation as to whether or not it should be permitted. From the date that an application is validated, the council will publicise it and will invite

¹ This is set out in Article 13 of the Town and Country Planning (Development Management Procedure) (England) Order 2010 and the Listed Buildings and Conservation Area Regulations 2010.

comments over a statutory consultation period of 21 days. During this time, anyone can submit comments on the proposal, even if they have not received a formal notification letter.

3.12 The council will publicise validated planning applications in the following ways:

- **Undertake appropriate notification.** Depending upon the type of application being consulted upon, the council will undertake notification as appropriate. We will notify adjoining neighbours by letter or by putting up a notice near to the application site. Sometimes applications will also be advertised in the local press. The council will also consult statutory consultees as required by national planning legislation.
- **Publishing details of planning applications online.** You can view details of planning applications on the council's website www.crawley.gov.uk/plansearch. This can be used to see which planning applications have been registered in the last seven days and to access plans and supporting information relating to both current applications and historic planning decisions. Applications can be searched by address or by an individual planning reference (this will begin with 'CR').
- **Weekly List of Planning Applications.** As well as being able to view on-line the list of planning applications registered in the last seven days, you can also sign-up to receive the Weekly List of Planning Applications by email. To do this, please contact development.control@crawley.gov.uk to register your interest.
- **Making planning applications available to view.** Paper copies of all planning applications are available to view at Crawley Town Hall, The Boulevard, Crawley, West Sussex, RH10 1UZ.

Commenting on a planning application

3.13 Should you wish to comment on a planning application, your comments must be submitted to the council in writing within the 21 day consultation period. You will need to provide details of your name and address, which will appear with your comments on the council website and with the paper copy of the planning application. The council does not acknowledge receipt of or directly respond to any comments made but will take them into account in the decision making process within the officer's report.

3.14 The comments that the council receives in response to planning applications are a matter of public record. This means that they cannot be treated as confidential, and they will be made available to view on the council's website, alongside the address of the person making the comment. The council will not publish your name, telephone numbers or email addresses, but if you do not provide your name and address then your comments will be treated as anonymous and cannot be taken into account.

3.15 The council will not publish any comments or parts of comments that are not considered suitable for public view. This includes any comments that are offensive or personal.

3.16 All valid comments received within the statutory consultation period will form a material consideration that must be taken into account in determining the application. Comments

received after the consultation period will be taken into account wherever possible, up until the point that the application is determined. If a consultee is having difficulty meeting the deadline, they should contact the Case Officer to see whether a late comment will be acceptable.

- 3.17 The easiest way to comment on a planning application is to search for it on the council's website via www.crawley.gov.uk/plansearch. You can search for an application by entering its address or planning reference number, and clicking on the 'comment on this application' link. You can also view any comments that other people have submitted in this way.
- 3.18 Should you wish to submit comments by email, these should be sent to development.control@crawley.gov.uk, stating clearly the application number and address of the proposed development.
- 3.19 If you would prefer to submit your comments by post, please address these to the relevant case officer in writing to Development Management, Crawley Borough Council, Town Hall, The Boulevard, Crawley, West Sussex, RH10 1UZ.

Prior approval notifications and permitted development

- 3.20 In recent years, the planning system has been made increasingly more flexible at a national level, and specific building works and changes of use can be carried out without the requirement to obtain planning permission. These are described within the Town and Country (General Permitted Development) (England) Order (as amended) 2016.
- 3.21 It may be necessary for a developer to obtain prior approval from the local planning authority before carrying out permitted development. Where a Prior Approval notification is submitted, the council is only able to consider whether a proposal is acceptable against specific criteria, including transport and highway impact of the development, contamination risks on site, flood risk, impact of noise from commercial premises, and in some cases design. The council cannot consider a Prior Approval notification against other criteria, including the Local Plan, as it otherwise would for a planning application.
- 3.22 Where a Prior Approval notification is submitted, the council will publicise the prior approval in the same way as for a planning application, and comments are invited for statutory 21 day period.
- 3.23 In some cases, there may be further restrictions that would prevent a change of use through permitted development. For example, if the property is within a conservation area, an Area of Outstanding Natural Beauty, or a site of special scientific interest, or if the building is a listed building or scheduled monument. It is always best to check with the council's Development Management team prior to undertaking any works, either by telephone on 01293 438512 or by email at development.control@crawley.gov.uk

What can I comment on?

3.24 If you comment on a planning application it is important that your comments relate to planning matters, as it is only these matters that can be taken into account by the council when making a decision. Some of the issues that are considered to be planning matters are:

- External appearance and design;
- Highway safety, traffic and parking issues;
- Impact on the street scene or character of the local area;
- Issues of noise, privacy, disturbance and amenity;
- Drainage and flood risk;
- Loss of light or overshadowing;
- Loss of trees or impact on conservation issues.

This list is for guidance only, and is not exhaustive. There may be other relevant issues that you wish to comment on.

3.25 Some issues are not regarded as planning matters, and are not, therefore, usually taken account of when reaching a planning decision. These include the following:

- Loss of private view;
- Property value;
- Possible future uses outside the scope of the application;
- Private property matters such as boundary and ownership disputes, or private rights of way;
- Personal matters relating to the identity of the applicant;
- Moral issues or applicant's motives;
- Matters covered by other legislation, such as building regulations, licensing or restrictive covenants.

Making a decision

3.26 There are two main ways in which the council will reach a decision on a planning application, as set out in the council's constitution. These are through the officers of the council, which is known as a delegated decision, or through a Planning Committee made up of elected Council Members.

- **Delegated Decisions:** Once the application consultation period has closed, the planning case officer will take into account all material considerations, including all valid comments on the application, and will make a recommendation to either permit or refuse the application. The reasoning behind the case officer's recommendation will be set out in a report that explains the reasons for the recommendation that has been made. A final

decision will then be made in accordance with the council's Scheme of Delegation by authorised officers on behalf of the Head of Planning and Environmental Services.

- **Planning Committee:** There are some cases where a decision cannot be made under the council's scheme of Delegation and it must instead be decided by a councillor vote at a meeting of the Planning Committee. The main reasons that an application may be referred to the Planning Committee are:
 - the planning application is classified as a 'major' application;
 - four or more people have written to the council to object to the application;
 - a Conservation Area Advisory Committee has objected to the application;
 - a councillor has referred the decision;
 - the decision would conflict with the council's Development Plan (i.e. it would be a 'departure' from the Development Plan);
 - the applicant is a council employee or Councillor.

3.27 As a general rule, individuals and groups can speak at meetings of the Planning Committee provided that they have submitted written representation on the planning application or planning matter. If you would like to speak at a meeting you will need to contact Democratic Services on democratic.services@ Crawley.gov.uk no later than 12 noon on the day of the meeting. Speakers will be encouraged to provide a note on what they intend to say for record purposes. Further information can be found on the council's website at: www.crawley.gov.uk/speakdevcontrol

Notification of decisions

3.28 Once a decision has been made on an application, either under the council's Scheme of Delegation or by the Planning Committee, the council will notify the applicant or agent of the council's decision. Anyone who commented on the application will also be notified. All decision notices are made available for inspection at Crawley Town Hall and are available to view on the council's website via www.crawley.gov.uk/plansearch

Planning appeals

3.29 In circumstances where a planning application is refused or a decision is not made within the required timescale, the applicant may choose to appeal. It is the responsibility of an independent planning inspector, or in certain cases the Secretary of State, to make a final decision on the application. There may be a further opportunity at this stage for public involvement. Further information on the appeals process can be viewed at www.gov.uk

Contact us

3.30 If there is a planning application-related issue that you would like to discuss, you can contact the Development Management team on 01293 438512 or by email at development.control@ Crawley.gov.uk

Part 4: Preparing Local Planning Documents

What are local planning documents?

- 4.1 One of the council's key planning functions is to consider the range of different issues facing Crawley borough in the future, and to put in place local planning documents that enable these issues to be planned for on a strategic basis. This work is led by the Forward Planning team.
- 4.2 The adopted Crawley Borough Local Plan (2015-2030) is the principal local planning document guiding development in Crawley. It considers a range of different issues including the provision of new housing and the delivery of employment, retail and open space, and sets out planning policies to guide future development in the Borough. Local Plan policies also seek to protect and enhance Crawley's special environmental and heritage assets, and ensure that issues such as design, amenity and climate change are considered in planning decisions.
- 4.3 There are two main types of planning document; Development Plan Documents and Supplementary Planning Documents:
- **Development Plan Documents** (DPDs), such as the adopted Crawley Borough Local Plan (2015-2030), are formal plans that set out policies for a particular geographical area. They are subject to public consultation and Sustainability Appraisal (an assessment of the economic, social and environmental impacts of a plan). They must also be considered at independent examination and obtain Full Council approval before they can be adopted.
 - **Supplementary Planning Documents** (SPDs) are supporting documents which expand upon a particular theme covered in a Development Plan Document to provide additional detail and guidance. They may cover a range of topics or relate to specific sites. An SPD is subject to statutory consultation and may require a Sustainability Appraisal. Although SPDs are not subject to independent examination, they must be consistent with the Local Plan and need to obtain approval at the council's Cabinet before they can be adopted.
- 4.4 The council also produces other supporting planning document, including Development Briefs and Conservation Area Statements. These will normally be subject to a period of consultation, and document sign-off can be delegated to the relevant cabinet member as appropriate.

Production of local planning documents


- 4.5 The council is required to produce new planning documents or update existing documents in accordance with legal requirements. The Local Development Scheme (LDS) sets out the production timetable for the planning documents that the council will be producing over the next three years, detailing the different stages as a document is drafted, consulted upon and adopted.

- 4.6 Depending on whether the council is working to produce a Development Plan Document or a Supplementary Planning Document, there will be different preparation and consultation stages to undertake. When the council produces a local planning document, it will seek to involve people as early as possible and will invite feedback on draft documents. The council will also work to ensure that people are kept informed throughout the document production process. The sequence of steps involved in producing a planning document, and the stages at which you will be able to get involved, are summarised in Figure 1.
- 4.7 People may want or need to be engaged in different ways. The council will seek to use engagement approaches that are appropriate to the significance of the document being produced, and which best meet the needs of the particular individuals or groups being consulted. By using a range of methods to inform, consult and involve people in the right ways at the right times, the council will work to ensure that people are able to influence the approach of planning documents as they come forward through the planning process.

Meeting regulatory requirements

- 4.8 There are statutory consultation requirements that the council must adhere to when it is producing a local planning document, which are set out in the Town and Country (Local Development) (England) Regulations 2012. To meet these requirements, the council will:
- Publish all documents and supporting information on the council's website, including details of where and when copies of the documents can be viewed and how people can comment. All documents associated with production of the adopted Local Plan and its companion documents can be viewed at www.crawley.gov.uk/crawley2030
 - Make all consultation documents and supporting information available for the public to view at Crawley Town Hall and Crawley Library during normal office hours throughout the consultation period, which is a minimum of six weeks for a Development Plan Document and a minimum of four weeks for a Supplementary Planning Document.
 - Where required, publish a notice in the local press to provide information on the consultation being undertaken or document being adopted.
- 4.9 Other local planning documents, such as Development Briefs, are not subject to a statutory minimum consultation period. As good practice the council will normally consult on these documents for a period of between four and six weeks.

Figure 1: Steps involved preparing a local planning document

	INFORM	INVOLVE	Stage one – early engagement
			<p>Gather evidence, including independent studies and advice, to input and support production of the document.</p> <p>Notify and work with people, groups and other organisations to identify the key issues that need to be addressed by the plan. Engagement will be in a variety of different forms to include targeted stakeholder and general public consultation, and a list of interested parties will be maintained to ensure people are aware of consultation.</p> <p>Consider if issues identified can be addressed by the plan and make available feedback to show how responses have been considered.</p> <p>For Development Plan Documents, additional consultation may be undertaken to invite feedback on the council’s preferred approach. This will have been drafted taking into account all comments submitted at early engagement.</p>
		CONSULT	Stage two – publication
			<p>Draw upon evidence and feedback received through early engagement to produce a final draft planning document.</p> <p>Undertake consultation to allow comment on the draft plan and any supporting documents including the Sustainability Appraisal (if required). For Development Plan Documents this will be a minimum six-week period. For Supplementary Planning Documents and non-statutory documents this will be a period of between four and six weeks.</p> <p>Publicise consultation and ensure that all documents are readily available to view to make sure that everyone has sufficient opportunity to comment.</p>
	INSPECT		Stage three – independent examination
			<p>Consider feedback received at stage three and any other new evidence to inform a final plan.</p> <p>Publish a consultation statement to demonstrate how the commitments outlined in the Statement of Community Involvement have been met. This will set out how consultation responses have been taken into account in producing the plan.</p> <p>If a Development Plan Document is being produced, this must be submitted to the Secretary of State for independent examination. Interested parties may submit written representations to the Inspector and may request to take part in the examination. The Inspector makes this decision. Anyone can observe the examination. Provided the plan is found ‘sound’ at the examination it can be considered at Full Council for formal adoption.</p> <p>A Supplementary Planning Document does not require independent examination, and would be considered directly by Cabinet for adoption.</p>
		MONITOR	<p>Monitor the plan to make sure that policies are achieving their aims, and consider, if necessary, reviewing them to reflect any changes. Monitor the effects of plan policies as required by European Directives, or any new legislation which replaces these.</p>

Who will be consulted?

- 4.10 The council is required to send details of planning document consultations to the 'specific consultation bodies' as required by national planning legislation. This includes government bodies, adjoining local planning authorities, infrastructure providers, utility and water companies, and transport bodies.
- 4.11 In addition to the statutory consultees and members of the general public, there are many other groups and organisations that will have an interest in the future of Crawley and may wish to comment on local planning documents. These consultees will have a variety of different interests and priorities, and can contribute expertise and knowledge across a range of subject areas.
- 4.12 This includes key business groups, such as the Manor Royal Business Improvement District (BID) and Gatwick Diamond Initiative, as well as key transport infrastructure operators such as Gatwick Airport Ltd. It also includes local environmental groups and resident organisations including the neighbourhood forums and Conservation Area Advisory Committees, as well as a wider range of organisations such as housing associations, disability groups, youth groups, faith groups and other stakeholders.
- 4.13 If you would like to be automatically notified of new consultations on local planning documents, you can sign up to receive email alerts by clicking on the 'register for email updates' link at the top of the webpage at www.crawley.gov.uk/crawley2030.

Adoption of planning documents

- 4.14 The final stage in producing a local planning document is the formal process of adoption. A Development Plan Document must be presented to Full Council where elected members will consider if it should be adopted. Supplementary Planning Documents are presented to the council's Cabinet where they will be considered for adoption. Supporting documents such as Development Briefs and Conservation Area Statements will be adopted by the council through its delegated functions.
- **Full Council** is made up of all 37 councillors in the borough. It is responsible for taking all of the major decisions made by the council, including the adoption of Development Plan Documents such as the Local Plan. Members of the public are able to attend meetings of the Full Council and may ask questions at the start of the meeting.
 - **Cabinet** consists of Cabinet Members of the majority political party and the Leader of the council. Each Cabinet Member has responsibility for a particular area of the council's activity. For Planning, the relevant Councillor is the Cabinet Member for Planning and Economic Development. Members of the public are able to attend meetings of the Cabinet and can ask questions at the start of the meeting.
- 4.15 To find out more about asking questions at Cabinet or Full Council, please contact Democratic Services on 01293 438549.
- 4.16 As soon as is reasonably practicable after adoption, the council will send a copy of the adoption statement to any person who has asked to be notified of the adoption. The council will also publish the adoption notice in the local press and will make

copies of the documents available to view on its website and at Crawley Town Hall and Crawley Library.

Part 5: Neighbourhood Planning

What is neighbourhood planning?

- 5.1 A neighbourhood plan is a community-produced document that enables people to take a more direct role in shaping the places where they live. It must build upon the broader policies set out in the council's local planning documents and represents an opportunity for people to influence the location, appearance and type of development that comes forward in their neighbourhood.
- 5.2 A neighbourhood plan can be used to help plan for the future development, regeneration and/or conservation of an area, and can deal with a wide range of social, economic and environmental issues, including housing, employment, heritage or transport. Alternately, it may elect to focus specifically on one or two issues only.

What legislation is relevant to a neighbourhood plan?

- 5.3 Neighbourhood plans must comply with legislation, including the National Planning Policy Framework (2012), and must also be consistent with the policies and allocations set out in the Local Plan.
- 5.4 The NPPF is guided by an overarching presumption in favour of sustainable development, i.e. that development proposals should be viewed positively where they are sustainable. For this reason, neighbourhood plans cannot prevent development from coming forward or promote less development than has been identified in the Local Plan. They can be used to allow for greater development if this is what the community wants, and they can provide guidance to help guide the type of development that comes forward.

Preparing a neighbourhood plan

- 5.5 A neighbourhood plan can be produced by an interested neighbourhood forum, and in some cases two neighbourhood forums may choose to work together to produce a joint plan that covers a wider area. The forum need to apply to the council to be formally designated as the neighbourhood plan producing forum and must submit details of the area which the proposed neighbourhood plan is intended to cover. The council is required to publish the application for a statutory six week consultation period, following which it should issue a decision on the forum and proposed neighbourhood plan area.
- 5.6 The preparation of a neighbourhood plan follows a formal legal process, and is subject to a minimum of two stages of consultation undertaken first by the local community and then by the council, followed by an independent examination. If recommended by the Examiner, the next stage is to submit the plan to a referendum where the local community can vote on whether the plan should be used to determine planning applications in the Neighbourhood Plan area.
- 5.7 If the plan is supported by a majority at the referendum, then it will be 'made' by Crawley Borough Council, a process that is similar to the adoption

of a DPD. Once 'made', the neighbourhood plan will be used together with the council's planning policies to determine planning applications in the area it covers.

Who is responsible for producing a neighbourhood plan?

- 5.8 The government has placed responsibility on community groups, such as neighbourhood forums, to take the lead in producing neighbourhood plans and consulting upon them. It is recognised that this requires a significant commitment from local communities in terms of time and resources. The council will provide support and advice on a range of issues, including consultation and the process of document production.
- 5.9 If you are interested in becoming involved in producing a Neighbourhood Plan, or would like to find out more, please contact the Forward Planning team on 01293 438761 or email forward.plans@ Crawley.gov.uk

Glossary of Terms

Advertisement Consent applies where proposals to display an advertisement or sign which requires planning permission. The term advertisement covers a very wide range of advertisements and signs including posters and notices, fascia signs and projecting signs, and pole and canopy signs.

Conservation Area: Areas of special architectural or historic interest, the character or appearance of which it is important to preserve or enhance.

Conservation Area Advisory Committees: These are independent groups made up of residents and businesses that have an interest in protecting and enhancing the character of Crawley's conservation areas. If you would like to find out more about conservation areas or joining a committee, please call us 01293 438761 or email forward.plans@crawley.gov.uk

Delegated Decision: A final decision on a planning application that is made in accordance with the council's Scheme of Delegation by authorised officers on behalf of the Head of Planning and Environmental Services.

Development Management is responsible for the processing and determination of planning applications and prior approval notifications, as well as other applications relating to advertisements, listed buildings, conservation areas, and works to trees. The Development Management team also provide pre-application planning advice and investigate possible breaches of planning control.

Development Plan: Planning applications have to be decided in line with the relevant local planning authority's (LPA) development plan, unless there is a very good reason not to do so. The key document in the development plan is the Adopted Crawley Borough Local Plan (2015), but the term also includes Supplementary Planning Documents and Development Briefs.

Development Plan Documents (DPDs), for example the Local Plan, are formal plans that set out policies for a particular geographical area. They are subject to public consultation and Sustainability Appraisal. They must also be considered at independent examination and obtain Full Council approval before they can be adopted.

Listed Building Consent: You will need to apply for listed building consent if you want to demolish a listed building, or you want to alter or extend a listed building in a manner which would affect its character as a building of special architectural or historic interest. It is important to check the position carefully with the council before undertaking any works, as it is a criminal offence to carry out work which needs listed building consent without obtaining it beforehand.

Local Development Certificate: If you want to be certain that the existing use of a building is lawful for planning purposes or that your proposal does not require planning permission, you can apply to the Local Planning Authority for a 'Lawful Development Certificate' (LDC).

Local Development Scheme (LDS) sets out the production timetable for the planning documents that the council will be producing over the next three years, detailing the different stages as a document is drafted, consulted upon and adopted.

Local Plan: The adopted Crawley Borough Local Plan (2015-2030) is the principal local planning document guiding development in Crawley. It sets out different planning policies relating to a range of different issues which must be considered as a material consideration when assessing how a planning application should be determined.

Local Planning Authority: The public authority whose duty it is to carry out specific planning functions for a particular area. In this document it refers to Crawley Borough Council.

Local Planning Documents: A set of documents that set out a strategic vision for the future of an area and put in place the planning policies and strategies to help guide development.

Material Considerations: These are factors that must be taken into account when reaching a decision on a planning application or planning appeal. Typically a material consideration will relate to the use or development of land.

National Planning Policy Framework (NPPF) sets out the government's planning policies for England and how these are expected to be applied to produce distinctive local and neighbourhood plans that reflect the needs and priorities of communities.

National Planning Practice Guidance adds further context to the National Planning Policy Framework, expanding upon its policy requirements to provide further guidance across a range of different topic areas.

Neighbourhood Plan: A plan prepared by a Neighbourhood Forum for a particular neighbourhood area.

Neighbourhood Forum: Residents groups or forums are places in which residents come together to discuss and address issues, get involved with community projects and work together to make a difference on important community issues. There is a group for most of Crawley's neighbourhoods, and you can find out more about the Neighbourhood Forums by contacting the Community Development team at communitydevelopment@ Crawley.gov.uk

Permitted Development Rights: These are certain types of work that can be performed without needing to apply for planning permission. They derive from a general planning permission granted not by the local authority but by Parliament, which established through the Town and Country Planning (General Permitted Development) (England) Order (as amended) 2016.

Planning Committee is a group of elected members that is responsible for determining any planning applications which are presented to it. The Committee usually meets once every four weeks.

Planning Inspectorate: deals with planning appeals, national infrastructure planning applications, examinations of local plans and other planning-related and specialist casework in England and Wales.

Planning Legislation: Planning Policy is supported by legislation, which mainly takes the form of Acts of Parliament and Statutory Instruments. Some of the key legislation relating to planning includes the Town and Country Planning Act 1990, the Planning and Compulsory Purchase Act 2004, the Localism Act 2011, and the Town and Country (General Permitted Development) (England) Order (as amended) 2016.

Planning Permission, in simple terms, is the process of applying to the local planning authority to ask if you can undertake specific development works. It will be granted (possibly subject to certain conditions) or refused.

Planning Policy relates to the production of planning documents and guidance, such as the Local Plan, that are used to guide development in Crawley. The documents must comply with relevant government legislation and guidance, and there are specific regulatory procedures which must be followed during their production. In Crawley, this work is led by the Forward Planning team.

Planning Regulations: Sets out the statutory requirements that planning documents and decisions must meet.

Prior approval means that a developer has to seek approval from the local planning authority to confirm that specified elements of a development are acceptable before work can proceed. The matters for prior approval vary depending on the type of development and these are set out in full in the relevant parts in Schedule 2 to the General Permitted Development Order. A local planning authority cannot consider any other matters when determining a prior approval application.

Prior Notification: Some proposals for developments involving telecommunications, demolition, agriculture or forestry are subject to a process whereby details are notified to the local planning authority prior to the development taking place.

Scheme of Delegation: This outlines which councillors, committees, and council employees have powers to make a particular decision.

Statement of Community Involvement (SCI) is a requirement of the Planning and Compulsory Purchase Act 2004 (as amended). It sets out the different ways in which the council will engage with people to enable their involvement in the planning process.

Statutory: A legal requirement that must be met.

Statutory consultees: these are organisations that must be consulted on a draft planning documents or planning applications.

Supplementary Planning Documents (SPDs) are supporting documents which expand upon a particular theme covered in a Development Plan Document to provide additional detail and guidance. They may cover a range of topics or relate to specific sites.

Sustainability Appraisal: Under the regulations of the Planning and Compulsory Purchase Act 2004, a Sustainability Appraisal is required to assess the impacts of the Local Plan, and other planning documents where required, in order to consider if the plan is sustainable in social, environmental and economic terms.

Weekly List of Planning Applications. A list of planning applications registered in the last seven days. It can be viewed at www.crawley.gov.uk/plansearch or by emailing development.control@crawley.gov.uk to register your interest.

STATEMENT OF COMMUNITY INVOLVEMENT: CONSULTATION REPRESENTATIONS RECEIVED AND COUNCIL RESPONSES

STATEMENT OF COMMUNITY INVOLVEMENT			
Respondent	Para/ Page no.	Comments	Council's Response
Environment Agency	N/A	Thank you for consulting us on the above. We have no comments to make.	No further action.
Gatwick Airport Safeguarding	Para 3.7, Page 8	Pre Application Consultations Para 3.7 recommends that developers undertake pre application consultations with 'local residents and organisations.....', we would recommend that statutory consultees are also included in this.	Noted. Text has been amended accordingly at section 3.7.
Gatwick Airport Safeguarding	Para 4.9, Pages 16 – 17	Who will be Consulted? Para 4.9 details the list of organisations that 'must' be consulted, however airport operators, in this instance Gatwick Airport Ltd (GAL), are not mentioned. We accept that airport operators are not mentioned in the list contained in the 'Town & Country Planning (Local Development) (England) Regulations 2012, however we feel that this is an oversight. Airport Operators are statutory consultees by way of the following circular: ODPM/DfT Circular 01/2003 'Safeguarding of Aerodromes, Technical Sites and Military Explosives Storage Areas: The Town & Country Planning (Safeguarded Aerodromes, Technical Sites & Military Explosives Storage Areas) Direction 2002. Para 28 Annexe 2 of the above mentioned document relates to the 'Incorporation of Safeguarded Areas into Development Plans'. Therefore it is logical that the airport operator would be consulted via the local plan consultation process. We would ask that Airport Operators (in this instance Gatwick Airport Ltd, GAL) are included in the list on page 17.	Noted. Text has been added in the form of a new section 3.9 which encourages developers to engage with Gatwick Airport at an early stage in the planning process. Specific reference has been added to refer to Gatwick Airport Limited at section 4.11.
KTI Energy Limited		I wish to make certain that our Statement of Community Involvement on the Gatwick Diamond Low Carbon Project, dispatched by email on 28 October 2016 for public consultation, has reached decision makers within Crawley Borough Council, Horsham District Council and West Sussex County	The role of the Crawley SCI is to explain how and when residents, businesses and organisations can engage in the planning

STATEMENT OF COMMUNITY INVOLVEMENT

Respondent	Para/ Page no.	Comments	Council's Response
		<p>Council. I do not want KTI's SCI to be confused with Crawley's SCI which makes no realistic contribution to Crawley's economic growth, nor to its housing targets, nor to the Future West Sussex Plan.</p>	<p>process. It is not the role of the SCI to plan for the strategic growth of Crawley, and issues such as economic growth and housing numbers are planned for through the adopted Crawley Borough Local Plan 2015-2030. No further action.</p>
<p>KTI Energy Limited</p>		<p>LAND WEST AND NORTH-WEST OF CRAWLEY: feedback from HCA confirms its land holding west of Ifield amounts to 128.26 hectare. When added to that of the west of Ifield consortium, Crawley Borough Council will have ample land to comply with its adopted Local Plan.</p> <p>CRAWLEY WESTERN RELIEF ROAD: feedback from several parties confirms housing target and economic growth within Crawley and Gatwick Airport cannot proceed without the Crawley Western Relief Road (CWRR) built to the amended alignment shown in KTI's SCI. Would the public sector re-employ Halcrow to re-design CWRR as a strategic dual carriageway road from a new intersection at the A264 receiving appropriate capital contribution from KTI Energy Limited, Gatwick Airport Limited, HCA and west of Ifield consortium.</p> <p>WARNHAM INCINERATOR: The mindless incinerator is a most inappropriate infrastructure. It received support in principle from Paul Rowley, former Head of Planning at Horsham District Council. At 150,000 maximum capacity, the estimated gate fee it will charge for waste disposal will be around £100 to £120 per tonne. Biffa Waste Services is able to export fuel from its Warnham processing plant to mainland Europe at close to £70 per tonne. Why should anyone be daft enough to deliver waste for destruction by this incinerator?</p>	<p>It is not the role of the SCI to plan for strategic growth, and these issues cannot be addressed through this document. No further action.</p>

STATEMENT OF COMMUNITY INVOLVEMENT

Respondent	Para/ Page no.	Comments	Council's Response
		<p>KTI's RENEWABLE CHP PLANT: The expectation is that the gate fee the CHP plant will charge for fuel received from Biffa's processing plant will be £50 per tonne or less. The plant offers to make financial contribution of £7 million to the total capital cost of CWRR.</p> <p>PRIORITY: Would local authorities please proceed with planning and constructing the amended CWRR at the earliest opportunity. All other planning matters affecting Gatwick Diamond then will automatically fall into place.</p>	
<p>Manor Royal Business Improvement District</p>		<p>Thank you for the opportunity to see and respond to your update Statement of Community Involvement. I am responding on behalf of the Manor Royal Business Improvement District (BID) Company that has been created by businesses to improve the trading and working environment of Manor Royal Business District in accordance with its Business Plan 2013-2018.</p> <p>We have no objections to what is a decent statement of how you intend to involve the local community in the planning process. I would only draw your attention to the desire and intent of the Manor Royal BID Company to be wholly involved in those matters of policy development and planning that have a bearing on the function of Manor Royal Business District as a business destination, key employment area and employment hub.</p> <p>BIDs generally offer an opportunity for public bodies to formally engage them in the such matters as affect the area in which they operate and benefit from the legitimacy provided to them via the ballot process they have to undergo in order to be created. This is clearly set out in the BID Regulations that govern BIDs in England (SI 2001/2443).</p> <p>Recognising this, British BIDs (the representative body for BIDs) in its response to the Government's review of BIDs (2014) proposed that BIDs be considered a statutory consultee in planning matters. While recognising that this has not yet resulted in any change in status of BIDs in regard to the</p>	<p>The council has a strong working relationship with Manor Royal BID, and the ongoing input of Manor Royal BID and other business organisations in Crawley has helped to shape the economic policy approach in the Local Plan, and particularly the focus on 'B class' business uses in Manor Royal. The input and support of Manor Royal BID and other business groups has also been key in bringing into force Article 4 Directions to protect the business function of Manor Royal, and the council will continue to work positively with MRBID moving forward to plan positively for economic growth at Manor Royal.</p>

STATEMENT OF COMMUNITY INVOLVEMENT

Respondent	Para/ Page no.	Comments	Council's Response
		<p>planning process at this time, we would encourage Crawley Borough Council to be mindful of this and to consider working with the Manor Royal BID and consulting with it on matters relevant to and impacting on the Business District for the benefit that can bring to providing a representative voice and helping to engage Manor Royal based businesses more generally.</p> <p>While the BID company may not be regarded as one of those organisations you must consult we would suggest the BID Company is one you should consult and involve. I appreciate you may feel this is already covered in your catch all paragraph 4.10 and we recognise the positive working relationship we have established with the Borough and want that to continue.</p>	<p>With regards to planning applications, the council will consult the Manor Royal BID on all major planning applications within the Manor Royal main employment area.</p>
Marine Management Organisation		<p>Thank you for including the MMO in your recent consultation submission. The MMO will review your document and respond to you directly should a bespoke response be required. If you do not receive a bespoke response from us within your deadline, please consider the following information as the MMO's formal response.</p>	<p>No further action.</p>
Natural England		<p>Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development. We are supportive of the principle of meaningful and early engagement of the general community, community organisations and statutory bodies in local planning matters, both in terms of shaping policy and participating in the process of determining planning applications. We regret we are unable to comment, in detail, on individual Statements of Community Involvement.</p>	<p>Noted and support welcomed. No further action.</p>
Tinsley Lane Residents' Association		<p>Thank you for giving us the opportunity to comment on Crawley's Statement of Community Involvement. The Tinsley Lane Residents' Association fully support the Crawley Borough Council on the publication of this document and in particular support the inclusion of:</p> <ul style="list-style-type: none"> - Para, 1.4 - key objectives - Para. 2.1 - type of development 	<p>Noted and support welcomed. No further action.</p>

STATEMENT OF COMMUNITY INVOLVEMENT

Respondent	Para/ Page no.	Comments	Council's Response
		<ul style="list-style-type: none"> - Para. 3.5/3.7 - Pre application consultation - Para. 5.1 - Neighbourhood planning 	
Thames Water Utilities Ltd (via Savills)		<p>As you will be are aware, Thames Water are the statutory sewerage undertaker for Borough and are hence a “specific consultation body” in accordance with the Town & Country Planning (Local Planning) Regulations 2012.</p> <p>A key sustainability objective for the preparation of the Local Plan should be for new development to be co-ordinated with the infrastructure it demands and to take into account the capacity of existing infrastructure. Paragraph 156 of the National Planning Policy Framework (NPPF), March 2012, states: <i>“Local planning authorities should set out strategic policies for the area in the Local Plan. This should include strategic policies to deliver:.....the provision of infrastructure for water supply and wastewater....”</i></p> <p>Paragraph 162 of the NPPF relates to infrastructure and states: <i>“Local planning authorities should work with other authorities to: assess the quality and capacity of infrastructure for water supply and wastewater and its treatment.....take account of the need for strategic infrastructure including nationally significant infrastructure within their areas.”</i></p> <p>The web based National Planning Practice Guidance (NPPG) includes a section on ‘water supply, wastewater and water quality’ and sets out that Local Plans should be the focus for ensuring that investment plans of water and sewerage/wastewater companies align with development needs. The introduction to this section also sets out that <i>“Adequate water and wastewater infrastructure is needed to support sustainable development” (Paragraph: 001, Reference ID: 34-001-20140306).</i></p>	<p>Issues of water infrastructure have been planned for through the adopted Crawley Borough Local Plan 2015-2030, which has in turn been informed by the Gatwick Sub-Regional Water Cycle Study (2013), Crawley Infrastructure Plan (2014) and ongoing stakeholder dialogue with infrastructure providers. Infrastructure provision is covered in detail by Local Plan Policy IN1, which is clear that development will be permitted where it is supported by the necessary infrastructure both on and off site and if mitigation can be provided to avoid any significant cumulative effects on existing infrastructure services.</p>
Thames Water Utilities Ltd (via Savills)		<p>Regulation 18 of the Town & Country Planning (Local Planning) Regulations 2012 states that Local Planning Authorities must consult ‘specific consultation bodies’ and invite them to make representations to the local planning authority about what a local plan ought to contain. The interpretation in Part 1 of the</p>	<p>Noted and support welcomed. It is agreed that the list at section 4.9 would benefit from reference</p>

STATEMENT OF COMMUNITY INVOLVEMENT

Respondent	Para/ Page no.	Comments	Council's Response
		<p>Regulations states that sewerage and water undertakers constitute 'specific consultation bodies'. Thames Water therefore support the continued identification of sewerage and water undertakers at Section 4.9 of the SCI. Thames Water consider it would also be helpful if a list of the specific sewerage/water undertakers covering the area are listed e.g. Thames Water.</p>	<p>being made to the relevant water infrastructure providers. Text has been amended to refer to South East Water, Southern Water, Sutton & East Surrey Water, and Thames Water.</p>
<p>Thames Water Utilities Ltd (via Savills)</p>		<p>When carrying out the necessary early consultations with Thames Water regarding the capacity of water supply and sewerage systems in accordance with the Regulations, adequate time should be allowed for Thames Water to consider development options and proposals so that an informed response can be formulated. It is not always possible to provide detailed responses within a matter of weeks for example, the modelling of water and sewerage infrastructure systems will be important to many consultation responses and this can take a long time to carry out (for example modelling of sewerage systems can be dependant on waiting for storm periods when the sewers are at peak flows).</p> <p>Thames Water also have to consult with the Environment Agency to obtain a clear picture as to possible water abstraction and waste water discharge consent limits prior to undertaking modelling from a treatment perspective. This process itself can take a considerable period of time especially if it depends on the EA undertaking its own evaluation exercise. Therefore, realistic consultation periods with water and sewerage undertakers will need to be taken account of in the preparation of the Local Plan. It will be similarly important that Thames Water are consulted early regarding Neighbourhood Plans and their impact on water supply and sewerage capacity.</p> <p>In relation to consultation on Planning Applications, Thames Water would expect to be consulted on most major planning applications. The adequacy of infrastructure can be a material consideration in deciding whether</p>	<p>Noted. Consultation on the different stages of Local Plan and Supplementary Planning Document preparation are subject to statutory consultation periods. All statutory consultees, including Environment Agency and Thames Water, are notified at the start of consultation and will have a sufficient period in which to work up and submit responses.</p> <p>With regards to major planning applications, the council will consult statutory consultees as required.</p>

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		<p>permission should be granted. Thames Water published and circulated in April 2015 to all Local Planning Authorities in their area an updated "<i>Water Services Infrastructure Guide for LPAs on Planning Application & Development Plan Consultation with Thames Water Utilities as Statutory Water and Sewerage Undertaker</i>". This will be off assistance when determining which planning applications to consult Thames Water on.</p>	
Mr Colin Maughan		<p>Thank you for your 3 November letter asking for my comments on 'Crawley's Statement of Community Involvement' in draft form. Having seen and examined most or all of the recent planning documents Crawley Council's staff have produced recently it became very evident that we are very fortunate having a team who do such good work and work successfully as a team.</p> <p>I am returning a copy of the report I was given yesterday with my untidy scribbles, some aimed at myself rather than yourselves, but I will try to summarise below my reaction on reading through it.</p>	Noted and support welcomed.
Mr Colin Maughan		<p>You didn't specifically ask for my comments on the design of the report cover, but having gone to so much trouble with the graphics on this one, it wouldn't be much trouble to make it even better. I have reservations about the title, as the report only applies to the involvement of the community in planning terms. Whilst we know the problems involved in communities making good decisions, and you wouldn't wish to undermine your work by asking the man and woman in the street to tell you what to do, I am not entirely clear how this report is intended to be used. Obviously, it is a response to the Government's requirement from all local authorities, but I cannot imagine a copy being delivered to every household. It is only going to be part of a package of information when CBC receives an application for planning permission?</p>	<p>The Statement of Community Involvement is a statutory requirement set out in planning legislation. The document is in place to explain how individuals, communities and organisations can participate in the planning process. Whilst the document will not be delivered to every household, it will be published on the council's website and will be available to view in the town hall and libraries. The document title has been amended to make clear that it focus relates to</p>

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			community involvement in the planning system.
Mr Colin Maughan		<p>Although it isn't exactly a legal document, I wonder whether it is written sufficiently in the first person. When I first read through it, I thought it was going to be a dialogue between the council and the reader, but some sections seem more formal. Fortunately, nowhere is it overbearing or unduly technical. Several people might have written the text jointly.</p> <p>Editorially, it is worth going through the text and in some places, especially on long sentences, adding some commas or breaking them up into shorter sentences. The overuse of punctuation can be thought of as pedantic, but if the aim is absolute clarity at first reading the problem solves itself. In practice I don't suppose many people will read the document from cover to cover, but it reads well throughout.</p>	Noted. Where appropriate, some minor text changes have been made to improve readability and assist clarity.
Mr Colin Maughan		<p>Returning to my point above, questioning who you are expecting to read the document, it seems to me that it will usually be seen in isolation, so it might help the reader if the introduction was expanded a little, reminding readers of <u>the big picture</u>. CBC is developing and expanding the town, which in the 1940s was one of the New Town Commission's New Towns, all designed on the earlier Garden City concept seen at Letchworth, Hampstead Garden Suburb and Welwyn. Crawley is still remarkably compact, with only a few exceptions where development has gone beyond the original boundaries. In other words, perhaps you could introduce the document with some background, including the Council's overall aims. A councillor told me that the Council wanted to make the town more middle class, for instance. Nobody else has said this so far.</p>	Noted. The SCI is one of several planning documents that are in place to support the adopted Local Plan 2015-2030. The Local Plan provides detail of the history of Crawley and its development as a New Town, and also sets out strategic objectives for the Plan period to 2030 through its Crawley 2030 Vision. The SCI is intended to be a succinct document, and to assist its usability it is not considered necessary to

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			reiterate information that is already set out in the Local Plan.
Mr Colin Maughan		As there are a number of listed buildings (usually isolated) and a number of conservation areas, it would be helpful to know if Crawley sees these older buildings playing a role. In towns like Faversham, industrial decline has resulted in some shopping areas becoming completely residential, even where good shopfronts have been retained. Perhaps realists and pragmatic people think that they represent/record historic change, but I am always reluctant to see any shops (and workshops) being lost in towns.	Noted. This is not a matter that can be addressed through the SCI. However, the Local Plan includes several planning policies which seek to protect the important historic and/or architectural character of the town. The council is also in the process of updating the conservation area statements for each of Crawley's conservation areas.
Mr Colin Maughan		It would also be helpful to be reminded of the Council's approach to private vehicle parking on grass verges, in front gardens and in nearby roads, as car ownership and multiple occupation grow. Similarly, is anything to be done to bring in park and ride, as in Horsham, and to make good the damage done by traffic engineers in constructing an inner ring road, as in Horsham and Farnham. As we all know now, the death of high streets has been hastened by having too many motor vehicles in towns, and building shopping malls and supermarkets. There isn't room for all this, but many people who read the document will know little or nothing about the background that you and I take for granted. It may be too late to see Crawley grafted onto an older small rural town, but I worry about the loss of the forum-like centre in Queens Square, in spite of all CBC's good intentions. Reports are one thing, but actualities are often quite different in the long run. You won't say this of course in the report.	Highway and parking issues are largely the responsibility of West Sussex County Council, though there are a number of Controlled Parking Zones and Traffic Regulation Orders in Crawley which are enforced by Crawley Borough Council. The council is not pursuing Park and Ride at the present time, but is currently undertaking a review of parking provision in the Town Centre. It is anticipated that the Queens Square regeneration will play a positive role in helping to revitalise Crawley Town Centre,

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			and the project is progressing well.
Mr Colin Maughan		Overall, I think there may be less emphasis on planning and the community than I had expected. If this is so, explaining how the nationwide planning legislation and policies are applied in Crawley probably need to be outlined, and perhaps there isn't much more to be said about community involvement. Could one or two examples be included? The Muslim community in Ifield, for instance, converting a redundant sports hall into a mosque recently, seems very positive, and is certainly the community's initiative meeting with the Council's approval.	The role of the SCI is to explain how people can participate in the planning process, and its title has been amended to make this clearer. The Local Plan 2015-2030 has been produced in conformity with national planning requirements, and has evolved taking account of evidence base and feedback from consultation, so the document has itself been shaped by feedback from individuals, community groups and other organisations. The role of the SCI is to explain how people can feed into Local Plan production, as well as influence planning more directly through producing a neighbourhood plan. The SCI also explains how people can feed into planning decisions when applications are received by the council.
Mr Colin Maughan		Thinking about towns I know, where supermarkets, traffic, engineers and developers have done less damage to an organic and still interesting and useful town – more than a bog standard shopping centre that could be found anywhere, what seems to have saved them is a civic society. Faversham, Midhurst, Steyning, East Grinstead and Soho in London have very active	Noted.

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		<p>societies and I think you are aware of this when you visit them. Once I have sent this letter to you, I will try and get one or two examples of these magazines in case you haven't seen them. The Midhurst Society to which I belong doesn't know of an association of town civic societies, but I will ask Graham Jite about this. He edits the Midhurst magazine. Such organisations might well be a mixed blessing, as cliques might develop, who gang up on individuals (like me, for instance). When I go to Faversham, I still think I am being watched, in case I am an invading developer. Being an isolated town, strangers are noticed straight away. Nevertheless, a handsome, historic town, with numerous active Thames barges and its brewery, and preserved gunpowder factory, is full of life, cinemas etc.</p>	
Mr Colin Maughan		<p>I have always been conscious of the fact that very few people understand how a building is sited, or how it is designed and built, so there isn't much chance of many planners or architects having the chance of designing a village or town successfully. Also, most people don't know much about building materials or local history – by rights, I would expect to see more evidence of sandstone construction here, as well as locally made bricks – as in East Grinstead – because Sussex had, and still has, numerous quarries and some brick yards. I am largely talking about the fabric of towns and villages. This situation is probably the reason why councils, especially their councillors, make mistakes, at a time when good architects, developers and builders seem to be thin on the ground. In their time, all of our local builders Longley's projects turned out well. I can see how the current contractors working in Queens Square seem to be trying hard, but are not very good, and recent decision making in this, the heart of the New Town, has been flawed. I shall be very surprised if the new scheme is as successful as the old one. The loss of the clock tower, the original fountain (or fountains), the bandstand, The Martlets bird sculpture and the canopy around the former Tesco's store are all detrimental to the original New Town design. If the new museum is successful it should be a very positive step. The present one is</p>	<p>Noted. This is not a matter for this SCI. The council has however produced an Urban Design Supplementary Planning Document, which is in place to expand upon the design policies set out in the Local Plan, providing further guidance to promote good quality design. It is anticipated that the Queens Square regeneration will play a positive role in helping to revitalise Crawley Town Centre, and the project is progressing well.</p>

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		better than nothing, but too far from the centre, and understaffed to be an organic part of the town's community.	
Mr Colin Maughan		Presumably the council would like to see itself as progressive, and now that it is widely accepted that cars are a mixed blessing in and around towns and villages, lower speed limits are coming in, and pedestrians and cyclists are being given more consideration. Complete pedestrianisation of the streets is not always successful is it, but we like to think that it strengthens a town's sense of community, because it feels safer. The managers of County Mall have reminded both shopkeepers and shoppers that sales are everything by removing the essential staircase, and the comfortable bench seats. Although money making is the reality, the damage has been considerable to the Mall's reputation. Minor changes add up as time passes. I now have to go to Clarke's in Brighton to buy my office and private stationary, because the firm cannot afford to run at a loss any longer in the Mall.	Noted. This is not a matter that can be addressed through the SCI. No further action.
Mr Colin Maughan		Presumably, you wouldn't want any of your documents to be unduly authoritarian or legalistic. It would probably be worthwhile reading through this document to see how friendly it is. It isn't just a question of all concerned understanding and complying with planning laws, or simply complying with the Government's requirements. The style of the capitalisation seems rather 'if in doubt, capitalise it'. If so, this goes against the current publishing style of 'if in doubt, use lower case'. The simplest way to achieve a consistent style is to change to change to lower case, and then read through again, capitalising if essential. In other words, unusually large type, too many headings in all capitals and too many capital initial letters together, give an unduly authoritarian emphasis.	Noted. Where appropriate, some minor text changes have been made to improve readability and assist clarity.
Mr Colin Maughan		Regardless of what CBC says in its documentation, the reality of dealing with the Borough and County Councils is often very unsatisfactory, I'm afraid. Reading about pre-application consultation on page 8, reminded me	For information relating to Tree Preservation Orders, it would be best to contact the Development

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		that I have given up trying to find out which of these two authorities is responsible for getting protection orders for two threatened, vital Linden trees at the entrance to my Linden Close, for finding out who is responsible for the recent environmental damage in Tilgate Forest, and who to talk to about the poor design of Crawley bus station (including the cheap, nasty paving).	Management team on 01293 438512. More detail would be needed to advise who the best contact would be in relation to Tilgate Forest. Any questions on the bus station would be best directed to the Town Centre Manager on 01293 438237.
Mr Colin Maughan		Perhaps the report could provide some reassurance that once decisions have been made by Crawley Council, that there will be periodic inspection to see that all concerned comply with the decisions. In my experience, this is seldom the case, and further deterioration in the town's fabric and character results. Newly planted trees are snapped off by vandals and never replaced.	Noted. The SCI relates only to planning issues, and cannot consider wider functions and responsibilities of the council. In planning terms, the council's Planning Investigations team is responsible for following up on any complaints received.
Mr Colin Maughan		The relaxation of planning laws mentioned in 3.19 is regrettable because it is a right-wing concession to big business and greedy developers to make unnecessary change and sweep away familiar irreplaceable shops, town halls and family businesses generally. In the present official climate there is probably not much you can do, but judging by the Occupy Movement and recent elections, here and elsewhere, the philosophy of 'the bigger the better' may be in retreat to some extent. You do seem to have a little more influence of developers' proposals than you did when County Mall was built (externally it is kitsch, and not designed by a decent architect).	Noted.
Mr Colin Maughan		On page 19, Neighbourhood Forums are mentioned. I don't know anything about them, but I should, and shall be making the necessary enquiries. It	Noted. It is agreed that there is merit in providing additional information on neighbourhood

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		would be worth expanding on this in the report in case other readers don't know about them either.	forums, and further detail has been added to the SCI Glossary.
Mr Colin Maughan		If annual events like Crawley Folk Music Festival and the reinstated half-way stop for vehicles in the annual Brighton runs for veteran cars and commercial vans and lorries, were mentioned somewhere – and occasional visits of fairground machines to Queens Square, if space permits – it would remind readers of the outcome of your work in the Town Hall to bring life to the town.	Noted. This is not a matter that can be addressed through the SCI. The Town Centre Manager will be able to advise on 01293 438237.
Mr Colin Maughan		If Crawley continues to benefit from the tourism created by Gatwick Airport will the planners consider the factors that this already has on the town's character? London has fallen into the trap of having half of its income derived from tourism, and this has been entirely detrimental to a capital city which should make it a priority to serve the people who live and work there. And due to flats being built entirely for absent wealthy foreigners, workers are moving out of London, becoming commuters and causing chaotic travel problems. This is absolutely the result of market forces being out of control, and planning legislation being watered down, as you know. It has also happened nearer at home in Battle.	The Local Plan has been prepared having regard to the operation of Gatwick Airport in its current one-runway, two-terminal configuration. A final decision from the government to confirm the position regarding airport expansion and the status of safeguarding will be a key consideration for Crawley moving forward.
Mr Colin Maughan		Although I don't hear anything about it, I think the town twinning scheme is still going. It should be encouraged, especially as it is so positive in reinforcing the communities concerned, and making comparisons between those in other countries.	Noted.
Mr Colin Maughan		In my note above I speculated that your publications might be more effective if they need to be consciously user friendly to prospective readers. They probably are already, but I'm afraid this may be unduly optimistic if we expect almost anything at all demanding concentration overcoming their	Noted. Where appropriate, some minor text changes have been made to improve readability and assist clarity.

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		addiction to contemporary media and computer games. One of many friends who used to be quite literate, said last week 'this book is unreadable' when I showed him the book I am reading on bus and train journeys: <i>Protestantism and Capitalism: The Weber Thesis and its Critics</i> . Even the title draws the reader in, which is how I came to be reading it and I think everyone needs to read it. But they are not going to, in spite of its being largely written in plain English. It <u>is</u> very readable, and vital information at the present time.	
Mr Colin Maughan		It is probably outside this brief, but I feel that it would help to draw the focal centre of Crawley together if, like a Roman Forum, or the medieval city in the centre of Brussels, better pedestrian links could be reinforced between the town hall, the public library, the night club next to Crawley railway station, the railway station and the main shopping area. Busy roads separate them at the moment, as you know.	The council is seeking to progress a number of town centre regeneration improvements. This includes the Telford Place adjacent to Crawley Library, where the council is seeking to identify a development partner, and Station Way which has outline planning permission for railway station improvements and 308 new residential dwellings.
Mr Colin Maughan		Perhaps being part of the Ewan McColl, Leonard Cohen individualist generation, I am not especially sociable or community minded in reality, but I have noticed a tragic loss of quality of life since I was a child due to changes that have occurred since World War II. Even in this housing association, where I have lived for about 50 years, there is hardly any neighbourliness now. Children seldom play in the street, people do not speak to or know their neighbours' names, walls are built higher, gates put up, and roller blinds replaced with net curtains. Similarly, in town centres, shop assistants and bank staff work part-time, and seem to change jobs weekly or daily, and, if you ask them almost nobody likes their jobs, bosses or firms. You and your colleagues and our own Governments are assuming	Noted. The SCI is a planning related document which seeks to guide community involvement in the planning system. Because of this very specific remit, it cannot explore wider issues of the cultural importance of community, and its title has been amended to make the remit of the document clearer.

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		<p>by the production of this report that everyone understands communities and approves of them. Computers, cars with black windows and supermarket delivery vans are working against communities though. We are also being saturated in commercial rubbish in shops and on film. I have always loved film and cinemas, but the intentional dumming down and unsatisfactory education has resulted in a few cinemas – usually showing bad, but popular films. So I sit at home watching wonderful 'world cinema' on my own, not supporting my local cinema. Should your report on community involvement at least mention the cultural importance of community? I was a little hesitant about mentioning Hampstead Garden City – the maintenance of the listed housing is remarkable – outsides at least – but I'm not sure it <u>is</u> a community. It might be a sleepy suburb, made up of fairly wealthy, but isolated families.</p>	
Mr Colin Maughan		<p>I have been asked before how the council can get Crawley people more interested and involved with the town, and I don't think I have an answer to people's increasingly narrow outlook. Possibly a result of living in a nanny state, and in a consumer society. The self-sufficient minority who cultivate allotments might well be better members of the community. Judging by observation of my fellow Crawley people many parents are not up to the job – they constantly buy their children toys to keep them quiet, along with sweets and soft drinks, and they now seldom talk to them because they are mobile/pad addicts first, and parents second. Even dog owners now neglect to talk to their dogs, much to the dogs' concern. On the other hand dog owners still talk to one another, and they <u>are</u> a community.</p>	<p>As the SCI is a planning specific document, it is unable to consider wider issues of community participation.</p>
Mr Colin Maughan		<p>Like town twinning, 'Localism' never seems to be mentioned now, but I am very conscious that in America and France especially, we hear about 'Government by the People', and the decline in family solidarity due to fast food eliminating the art of conversation. During the ghastly American electioneering the old fashioned friendliness and courtesy between interviewers and their chosen expert was very pleasing, and a great contrast</p>	<p>Noted.</p>

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		<p>to the insulting behaviour we tolerate in the media here. Are children and parents socialised here? If the local football clubs do well, this probably also helps to strengthen the community and boost civic pride.</p> <p>Judging by some recent high profile elections, I think we are moving into an era of political populism. This will be a mixed blessing as simplistic cowboys versus Indians Western film-like solutions are as misguided as the worst aspects of marketing. Easy answers to complex, difficult problems are never going to work, so I don't welcome populism. It leads to extremes like fascism and riots.</p>	
Mr Colin Maughan		<p>Technically, there are a few typographic points which need or would benefit from attention. The pagination in the contents page is wrong; the setting of the text on page 19 has been justified rather than ranged left, by mistake; the 'tabular' style of setting on pages 3 and 16 is out of style with the text pages as it is cramped – removal of all the rules, or cutting out the vertical rules, would improve their appearance. More breathing space on the other pages of text would be an improvement.</p>	<p>Noted. Where appropriate, some minor text changes have been made to improve readability and assist clarity.</p>
Mr Colin Maughan		<p>I wonder if you would be prepared to organise visits – coach trips perhaps – for your planning colleagues and Crawley councillors, to some of the towns with civic societies I mentioned above – there are probably other examples we can think of. A second visit might be made to some of Crawley's companion New Towns, like Harlow, to see how they are progressing. A third more ambitious trip to Birmingham and Berlin (two trips?) would be valuable because people would see the result of specifying high quality street furniture and construction materials for the infrastructure. I would be surprised if this careful specification, rather than ordering everything from the Marshall's catalogue, as in Crawley at the moment, doesn't reinforce the citizens' pride in their cities. Money well spent, and with luck, having a</p>	<p>Noted. The council works closely with community groups, and a number of successful clean-up works have been undertaken.</p>

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		longer life. Questions of repairability might be examined. Old fashioned methods, like painting things, works wonders if done well and doesn't cost millions, like the current Queens Square scheme. Could volunteers be employed to do some work in Crawley without increasing unemployment? Already individuals and small teams have a clean up in Furnace Green from time to time.	
Mr Colin Maughan		The Royal Institute of British Architects runs a competition where good buildings, like Crawley Library, receive awards. This scheme in Shrublands and Forestfield won such an award when it was completed. As you know, competitions are a good way of encouraging good standards, and creating public interest.	Noted.
Mr Colin Maughan		Enclosure: 'annotated' copy of CBC's Statement of Community Involvement (there are one or two literals). Various typographic errors and suggestions identified.	Noted. Where appropriate, some minor text changes have been made to improve readability and assist clarity.
Waverley Borough Council		Thank you for consulting Waverley on the above document. We have no comments to make at this time.	Noted. No further action.
Historic England		<p>Thank you for your email of 3 November 2016 inviting comments on the above document. The consultation process detailed in the SCI should be adequate in meeting the requirements of the Local Development Regulations 2004.</p> <p>It will be important to ensure that stakeholder organisations with interests and responsibilities in the historic environment, at national and local levels, are fully involved throughout the consultation process. To this end, it is important to consult with both the Council's own conservation officer or team and local amenity societies. In terms of the general requirements of</p>	Noted and comments welcomed. The council works closely with a number of historic environment groups, such as Conservation Area Advisory Committees.

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		consultation in relation to the historic environment, I attach a Note on Consultation with the Heritage Sector and a list of national amenity bodies.	
Historic England		<p>Note on consultation with the Heritage Sector</p> <p>Under the Town and Country Planning (Local Development) Regulations 2004, Historic England is not specified as an authority that the Council must consult with on the preparation of a draft SCI [Regulation 25 (2)]. However, as a statutory consultation body at other stages in the preparation of Development Plan Documents, as well certain planning applications, we welcome the opportunity to make general comments on the SCI.</p> <p>In view of our remit, some general principles are outlined below which we suggest are reflected in the SCI.</p> <ul style="list-style-type: none"> - Planning and Development in the Historic Environment – A Charter for Historic England Advisory Services (sixth edition, April 2014): This document, available on our website - http://www.historicengland.org.uk/imagebooks/publications/charter-headvisory-services/ sets out Historic England's advisory services for planning and development. It details the circumstances where we must be consulted upon planning applications affecting the historic environment, and the type of information required for consultations with Historic England on proposals affecting nationally important heritage assets. It also underlines the value and importance of pre-application discussions with us on proposals with the potential for major change, or damage, to nationally important heritage assets. The principles set out in this charter should inform the Council's consultation approach to significant planning applications. 	Noted. Amendments to contact details have been made as requested.

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		<ul style="list-style-type: none"> - Consultation address database – It is no longer necessary to send any hard copy correspondence and documents relating to the Local Development Framework / Local Plan / Neighbourhood Development Plans / Supplementary Planning Documents to our South East Office. However, if sending consultations in paper form or as a hard disc (CD) the consultation should be sent to the regional office; Historic England South East, Eastgate Court, 195-205 High Street, GUILDFORD GU1 3EH. You may remove any other addresses for English Heritage or the Royal Commission on the Historical Monuments of England from your database. - All electronic consultations, by email, should be sent to the dedicated consultation mailbox: e-seast@historicengland.org.uk. We would ask that consultations are not sent to any other mail addresses or email inboxes (including personal email inbox) as this will result in delays to registration and responses from Historic England. - Sustainability Appraisal - Whilst Historic England is a statutory consultee for Strategic Environmental Assessment, we do not have the capacity to attend SEA/SA workshops. If it is proposed to hold such an event, you should ensure that your Conservation Officer and a representative from the County Council's archaeological service is invited to attend to advise on any issues relating to the historic environment. We will, of course, respond to correspondence relating to SEA at the appropriate stages. - Neighbourhood Plans – Under the Regulations covering neighbourhood planning, before submitting the proposed Neighbourhood Plan to the local planning authority, the group needs to consider if various organisations (statutory consultees) need to be consulted about the proposals, because they affect the natural or 	

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		historic environment. These statutory consultees include Historic England, Natural England and the Environment Agency amongst others whose interests may be affected. The statutory consultees have jointly produced guidance on the natural and historic environment in neighbourhood planning: http://content.historicengland.org.uk/content/docs/planning/planning-environmentneighbourhood-advice.pdf	