

Crawley Borough Council

Cabinet

Agenda for the **Cabinet** which will be held in **Committee Room A & B - Town Hall**, on **Wednesday, 27 June 2018** at **7.30 pm**

Nightline Telephone No. 07881 500 227



Head of Legal and Democratic Services

Membership:
Councillors

P K Lamb (Chair)
M G Jones
C J Mullins
A C Skudder
B A Smith

P C Smith

G Thomas

Leader of the Council
Cabinet Member for Housing
Cabinet Member for Wellbeing
Cabinet Member for Resources
Cabinet Member for Public Protection and
Community Engagement
Cabinet Member for Planning and Economic
Development and Deputy Leader
Cabinet Member for Environmental Services
and Sustainability

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The order of business may change at the Chair's discretion

Part A Business (Open to the Public)

	Pages
1. Apologies for Absence	
2. Disclosures of Interest	
In accordance with the Council's Code of Conduct, Councillors of the Council are reminded that it is a requirement to declare interests where appropriate.	
3. Minutes	5 - 12
To approve as a correct record the minutes of the Cabinet held on 21 March 2018.	
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 item 14: Crawley Leisure Management Contract Award should not be held in Part B Business – (Closed to the Public).	
6. Matters referred to the Cabinet and Report from the Chair of the Overview and Scrutiny Commission	
To consider any matters referred to the Cabinet (whether by a scrutiny committee or by the Council) and those 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. Treasury Management Outturn for 2017/18	13 - 24
<i>The Leader's Portfolio</i>	
To consider report FIN/442 of the Head of Finance, Revenues and Benefits, which was referred to the meeting of the Overview and Scrutiny Commission held on 25 June 2018.	

	Pages
<p>8. Licensing Houses in Multiple Occupation (HMOs)</p> <p><i>Housing Portfolio</i></p> <p>To consider report SHAP/75 of the Head of Strategic Housing and Planning Services, which was referred to the meeting of the Overview and Scrutiny Commission held on 25 June 2018.</p>	25 - 36
<p>9. Crawley Growth Programme - Update</p> <p><i>Planning and Economic Development Portfolio</i></p> <p>To consider report PES/298 of the Head of Economic and Environmental Services, which was referred to the meeting of the Overview and Scrutiny Commission held on 25 June 2018.</p>	37 - 42
<p>10. Financial Outturn 2017/2018 Budget Monitoring - Quarter 4</p> <p><i>The Leader's Portfolio</i></p> <p>To consider report FIN/443 of the Head of Finance, Revenues and Benefits.</p>	43 - 60
<p>11. Terms of Reference and Nominations for 2018/2019 - Advisory and Working Groups and Member Development Executive Support Group</p> <p><i>The Leader's Portfolio</i></p> <p>To consider report LDS/136 of the Head of Legal and Democratic Services.</p>	61 - 64
<p>12. Supplemental Agenda</p> <p>Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.</p>	
<p>13. Exempt Information – Exclusion of the Public (Subject to Agenda Item 5)</p> <p>The Committee is asked to consider passing the following resolution:-</p> <p>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.</p>	

	Pages
Part B Business (Closed to the Public)	
14. Crawley Leisure Management Contract Award	65 - 70
<i>Wellbeing Portfolio</i>	
(Exempt Paragraphs 3 & 5)	
To consider report HPS/13 of the Head of Partnership Services and Portfolio Holder for Wellbeing.	

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Crawley Borough Council

Minutes of Cabinet

Wednesday, 21 March 2018 at 7.30 pm

Councillors Present:

P K Lamb (Chair)	Leader of the Council
S J Joyce (Vice-Chair)	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 C Smith	Cabinet Member for Planning and Economic Development
G Thomas	Cabinet Member for Environmental Services and Sustainability

Also in Attendance:

Councillor D Crow, N J Boxall, K L Jaggard and D M Peck

Officers Present:

Natalie Brahma-Pearl	Chief Executive
Ann-Maria Brown	Head of Legal and Democratic Services
Chris Pedlow	Democratic Services Manager
Hannah Martin	Performance, Policy and Project Officer
Chris Modder	Private Sector Housing Manager
Patricia Salami	Three Bridges Programme Manager
Clem Smith	Head of Economic & Environmental Services
Nigel Sheehan	Head of Partnership Services

1. Disclosures of Interest

No disclosures of interests were made.

2. Minutes

The minutes of the meeting of the Cabinet held on 7 February 2018 were approved as a correct record and signed by the Leader.

3. Public Question Time

The Cabinet received a question from Mr Charles Crane from Bewbush, in relation to the redevelopment of the Town Hall site. He commented would there be a possibility of making available some of the key costings for the redevelopment, without affecting the tendering and other exempt aspects? In response, Councillor Lamb commented that he had been advised that he could not for reasons of commercial sensitivity, but that figures would be made public once that was no longer the case.

Mr Crane asked a supplementary question again on the redevelopment of the Town Hall site. He asked that previously it had been stated that the New Town Hall would be free in cost, but just to clarify would that mean the 'free cost' includes all the fixtures and fittings required for the new building? The Leader responded, stating that there would undoubtedly be some cost for fixtures and fittings, but than the current upkeep of maintaining and or renewing the fixtures and fittings in the current Town Hall would also amount to a significant figure. The Council would be seeking Value for Money in the project and the new Town Hall would be a better facility at a better cost for our residents

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

The Head of Legal and Democratic Services reported that no representations had been received in respect of any of the following agenda items: 13, 14, and 15: *Crawley Leisure Management Contract, Building Cleaning Service Contract Award and Telford Place Car Park Development.*

5. Matters referred to the Cabinet and 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.

6. Banning Orders and the Database of Rogue Landlords and Property Agents - The Housing and Planning Act 2016

The Cabinet Member for Housing presented report SHAP/073 of the Head of Strategic Housing and Planning Services to the Cabinet. The report informed Members that legislation would be coming into force in April 2018 enabling Local Authorities to pursue banning orders for a number of specified offences under the Housing Act 2004. Also coming into force at the time were powers and duties on Local Authorities to include persons on a nationally held database of rogue landlords and property agents. Cabinet noted that the report sought approval to use banning orders and make entries onto the database as laid out in the Housing and Planning Act 2016 as a tool to assist the Council in improving standards within the private rented sector.

In considering the report the Cabinet were in support of the introduction of the national database of rogue landlords and property agents as this approach should hopefully

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Cabinet (51)
21 March 2018

protect our residents who rent in the private section from being take advantage of by bad landlords.

The Cabinet noted the Overview and Scrutiny Commission's comments on the report and its comments to the Cabinet following consideration of the matter at its meeting on 19 March 2018.

RESOLVED

The Cabinet

1. agrees to the use of the new powers allowing the Council to apply for banning orders, as summarised in Sections 4.1 - 4.5 of report SHAP/73.
2. agrees to the use of the new duties and powers to make entries onto the database with respect to rogue landlords and property agents, as summarised in Sections 4.6 – 4.8 of report SHAP/73.
3. delegates authority to the Head of Strategic Housing and Planning Services in consultation with the Head of Legal and Democratic Services to agree when banning orders are to be applied for on a case by case basis. (*Generic Delegation 3 will be used to enact this recommendation*).
4. delegates authority to the Head of Strategic Housing and Planning Services in consultation with the Head of Legal and Democratic Services to agree when to exercise the power to include persons convicted of a banning order offence on the database. (*Generic Delegation 7 will be used to enact this recommendation*).

Reasons for the Recommendations

The recommendations will enable the Council to utilise additional legislative powers in driving up standards within the private rented sector.

7. Three Bridges Station Improvement Scheme

The Cabinet Member for Planning and Economic Development presented report PES/280 of the Head of Economic and Environmental Services to the Cabinet, which sought Cabinet approval to commence the utilisation of the £1.5 million previously allocated from the Council's capital programme to the Station improvement scheme, so that the next detailed design phase of the scheme could be implemented and subsequently achieved. It was emphasised that the Three Bridges Station improvements had been a partnership approach between the Council and West Sussex County Council (WSCC) along with other partners such as network rail, for a wide range of improvements to the areas at as part of the Crawley Growth Programme.

The Cabinet commented how pleased they were that the scheme was finally moving forward at great pace and acknowledged the importance of the station as the first impression of the Town for many people, as they arrive into the Borough. Thus the proposed improvement can only be of benefits to our residents and the wider economy.

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The Leader of the Council invited Councillor Boxall on behalf of the Maidenbower Councillors to address the Cabinet on the impact of the proposals on Maidenbower residents. Councillor Boxall commented that whilst he and his colleagues were in general support over the need for the redevelopment of Three Bridges station, there were real concerns over the traffic impact of the proposal especial on Station Hill. Councillor Boxall requested that when the further traffic surveys, studies and modelling takes place that they must capture the main morning rush hour from approximately 7.30am to 9.30am. At this time currently the traffic can already back up to the Oriel School roundabout and with the proposed changes they were concerns that this would exacerbate the traffic in Maidenbower.

Councillor Smith in response to Councillor Boxall's comments understood his concerns over the impact of traffic in Maidenbower. He confirmed he would request that the appropriate traffic management surveys take place at part during morning rush hour. Noting however that decision was partly out of his hands as that element was being undertaken by WSCC. He stated he would pass their request to the Cabinet Member for Highways and Infrastructure at West Sussex, County Councillor Bob Lanzer.

The Cabinet noted the Overview and Scrutiny Commission's comments on the report and its comments to the Cabinet following consideration of the matter at its meeting on 19 March 2018.

RESOLVED

The Cabinet approves

1. in principle, the overall design concept for the Three Bridges Station Improvement Scheme, subject to the detailed design stage.
2. expenditure of up to £675,000 from the £1.5 million previously allocated from the Crawley Borough Council capital programme for spend on the detailed design stage of the scheme as part of the Crawley Growth Programme.
3. the addition of £393,759.00 of Section 106 monies to the existing Crawley Borough Council capital programme allocation to the Three Bridges station improvement scheme as part of the Crawley Growth Programme.

Reasons for the Recommendation

The proposed scheme seeks to improve access to and exit from the station, transforming the public realm and strengthening sustainable transport connections to benefit both local residents and commuters to Manor Royal and all parts of Crawley.

On 29 June 2016, Cabinet approved the allocation of £1.5m to the Three Bridges Station Scheme (Financial Outturn 2015/16 - FIN/385). This forms part of a wider allocation of £5.4m to support the delivery of the Crawley Growth Programme, which was reported to Cabinet on 4 October 2017 PES/259. Cabinet approval for expenditure of up to £675,000 is now required in order to progress and achieve the detailed designs for the scheme and prepare a planning application submission.

Once the detailed designs are drawn up and prior to submission of a planning application, Crawley Borough Council, West Sussex County Council and partners will go out to public consultation to ensure local support for the scheme proposals and

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officers will subsequently go back to Cabinet in the autumn to seek approval for the detailed designs. The current concept design is therefore subject to change.

The S106 monies referred to in section 2.2(c) were previously approved by Cabinet for use on this scheme in the report SHAP/43 dated 11 February 2015. Cabinet approval is required in order to add them to the capital programme. Furthermore, developers are often required through Section 106 planning agreements to make financial contributions towards the provision or improvement of infrastructure if a need is generated by the new developments. These monies must be spent as set out in the planning agreements and in accordance with government guidance. These monies are reported quarterly to the Planning Committee and report PES/279 identifies £393,759.00 as specific Section 106 funds to Three Bridges station.

8. Irrecoverable Debts 2017/2018

The Leader presented report FIN/436 of the Head of Finance, Revenues and Benefits. The purpose of this report was to obtain approval to write-off a debt that was considered to be irrecoverable and exceed the delegated limit of £50,000 per write-off. It was noted that a summary of debts to be written-off under delegated powers was also contained within the report. The Leader commented that he had been privy to the lengths that the finance team go to in chasing debts owed to the Council and was satisfied that it was now in the Council's best interest to write off the proposed irrecoverable debts in line with accounting best practice.

RESOLVED

That the Cabinet approves the write-off of amounts exceeding £50,000 as detailed in the table below:

Name and Address	Reason	Total £
Trustees of Emergency Aid Victory House Manor Royal	Charity in Liquidation	107,181.80
Mar City Homes Ltd Zurich House East Park	Received part payment following Court action	61,952.85
		169,134.65

Reasons for the Recommendations

The Council's Constitution necessitates amounts exceeding £50,000 requiring writeoff to be approved by the Cabinet.

9. To Approve Options for the Council's Insurance

The Cabinet Member for Resources presented FIN/044 by Head of Finance, Revenues, and Benefits –which sought Cabinet approval for the Council to become a founding member of a local government mutual insurance scheme. It was confirmed that becoming a member of the mutual did not restrict the Council to have to purchase its insurance from them, when its insurance needs renewing next year.

RESOLVED

The Cabinet:

1. approves the Council's participation as a Founding Member of the new Local Government Mutual.
2. nominates the Leader of the Council to be appointed as a Founding Member committee member and to oversee and make strategic decisions in respect of the Mutual's build phase activity pending trading.
3. delegates the authority to the Head of Finance, Revenues and Benefits in consultation with the Leader of the Council to approve and execute any documentation necessary to give effect to recommendation 2.1 (a) above. (Generic Delegation 8 will be used to enact this recommendation).
4. notes that a further report with a business case for utilising the mutual would come back to Cabinet when the Council's current long term agreement for insurance cover comes to an end.

Reasons for the Recommendations

Local Government Mutual aims to offer the prospect of affordable, high quality risk transfer and risk management through a mutual structure for the benefit of the local government sector. It may make a valuable contribution to sector-wide efficiencies and financial stability. Participation in the manner described above allows the Council to contribute to the establishment of the new Mutual without exposing itself to any financial or operational risk.

To confirm there is no commitment to using the services of the Mutual at this stage or in the future, unless there is a justifiable business case.

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

RESOLVED

That in accordance with 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 involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraph specified against the item.

11. Crawley Leisure Management Contract

The Cabinet Member for Wellbeing presented report HPS/012 of the Head of Partnership Services which sought Cabinet approval of the final contractual requirements for the leisure management contract in order that the final tender documentation could be issued. The report also included as a part of the interim tender stage, a number of variations to the bid proposals to assess additional value. In looking at the various proposals, the Cabinet stated they wanted any options

relating to potentially converting the indoor bowls hall at K2 Crawley to be removed from the tender process.

The Cabinet noted the Overview and Scrutiny Commission's comments on the report and its comments to the Cabinet following consideration of the matter at its meeting on 19 March 2018.

RESOLVED

The Cabinet

1. notes the progress made with the Crawley Leisure Management Contract Procurement, and
2. approves the recommended options in respect of the variant bids as set out in section 6 of this report, subject to any options related to potentially converting the indoor bowls hall at K2 Crawley.

Reasons for the Recommendations

The recommendations will enable the final tender documentation to be issued.

12. Building Cleaning Service Contract Award

The Leader presented HCS/05 of the Head of Community Services, to the Cabinet which sought Cabinet approval to delegate the decision of the award of the Building Cleaning Service Contract to the Leader of the Council, in consultation with relevant Cabinet Members. It was noted that the Council's current contract expired on 31 May 2018. The Council was currently undertaking a collaborative tender process with Horsham District Council and Mid Sussex District Council for these cleaning services.

It was noted that Council had included the 'real living wage' as a requirement of the tender. It was also confirmed that an in-house bid had been costed, but that the cost was too uncompetitive and thus an in-house bid had not been submitted formally as a tender.

RESOLVED

The Cabinet, delegates the decision to award the contract for the provision of the Building Cleaning Service to the Leader of the Council, in consultation with relevant Cabinet Members, following the evaluation of the tender process.

Reasons for the Recommendations

In line with the Constitution, Cabinet would normally award any contract with a total value over £500,000. Due to tight implementation timescales and the requirement to obtain Cabinet approval from each of the authorities participating in the tender process, the report recommends that the best approach in order to meet the contract start date is to seek approval to delegate the contract award decision. Due to the contract being cross-portfolio it is recommended that the Leader of the Council makes the award decision, in consultation with Cabinet Members who have responsibilities for the buildings included within the contract.

13. Telford Place Car Park Development

The Cabinet Member for Housing presented report CH/180 of the Head of Crawley Homes which sought delegated approval to appoint a development partner and enter into a Development Agreement and progress the delivery of the scheme within the agreed budget, at Telford Place car park site. It was noted that the outline scheme mix would be approved as part of the finalisation of the Development Agreement.

RESOLVED

The Cabinet

1. approves the appointment Developer 1 as the Council's preferred partner
2. delegates authority to the Head of Crawley Homes in consultation with the Head of Finance Revenues and Benefits, the Head of Legal and Democratic Services, the Leader of the Council and the Cabinet Member for Housing to agree final terms and enter into a Development Agreement. The agreement will incorporate the obtaining of planning permission for the whole development, designing and building of the whole scheme including contractual arrangements to enable the delivery of the works to be undertaken for the council within the available budget. The arrangements for the leasehold and/or/freehold sale of the site as required to enable the development will also be included in the Agreement.
3. delegate authority to the Head of Crawley Homes in consultation with the Head of Finance Revenues and Benefits, the Head of Legal and Democratic Services, the Leader of the Council and the Cabinet Member for Housing to agree final terms and enter into a funding agreement in respect of available funding through the Housing Infrastructure Fund (HIF).

Reasons for the Recommendations

The Council acquired this key town centre development site which is identified in the Local Plan as suitable for mixed-use development with a requirement to contribute, together with the County Buildings, Crawley Station and land north of The Boulevard sites, to a minimum cumulative delivery of 499 residential units within the town centre. This is the only one of these sites in the Council's ownership and affords an opportunity to make a significant contribution to this delivery target.

To provide housing for Crawley residents in need from the housing register. To continue the delivery of dwellings funded from the HRA as part of HRA business plan and the Council's RTB Receipts (one-for-one) funding programme.

To maximise the use of the potential funding through the Housing Infrastructure Fund (HIF) bid process to aid the viability of the scheme.

Closure of Meeting

With the business of the Cabinet concluded, the Chair declared the meeting closed at 8.05 pm

Councillor Lamb
Chair

Agenda Item 7

Crawley Borough Council

Report to Overview and Scrutiny Commission
25 June 2018

Report to Cabinet
27 June 2018

Treasury Management Outturn for 2017/18

Report of the Head of Finance, Revenues and Benefits – **FIN/442**

1. Purpose

- 1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2016/17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 During 2016/17 the minimum reporting requirements were that the full Council should receive the following reports:
 - an Annual Treasury Strategy in advance of the year (Council 22/02/2017)
 - a mid-year treasury update report (Council 13/12/2017)
 - an annual review following the end of the year describing the activity compared to the Strategy (this report)
- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 1.4 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Overview and Scrutiny Commission before they were reported to the full Council.

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

The Cabinet is recommended to:

- a) To approve the actual 2017/18 Prudential and Treasury Indicators as set out in the report;
- b) To note the Annual Treasury Management Report for 2017/18.

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3. Reasons for the Recommendations

- 3.1 The Council's financial regulations, in accordance with the CIPFA Code of Practice for Treasury Management, requires an annual review following the end of the year describing the activity compared to the Strategy. This report complies with these requirements.

4. The Economy and Interest Rates

- 4.1 During the calendar year of 2017, there was a major shift in expectations in financial markets in terms of how soon Bank Rate would start on a rising trend. After the UK economy surprised on the upside with strong growth in the second half of 2016, growth in 2017 was disappointingly weak in the first half of the year which meant that growth was the slowest for the first half of any year since 2012. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum, feeding increases into the cost of imports into the economy. This caused a reduction in consumer disposable income and spending power as inflation exceeded average wage increases. Consequently, the services sector of the economy, accounting for around 75% of GDP, saw weak growth as consumers responded by cutting back on their expenditure. However, growth did pick up modestly in the second half of 2017. Consequently, market expectations during the autumn, rose significantly that the MPC would be heading in the direction of imminently raising Bank Rate. The minutes of the MPC meeting of 14 September indicated that the MPC was likely to raise Bank Rate very soon. The 2 November MPC quarterly Inflation Report meeting duly delivered by raising Bank Rate from 0.25% to 0.50%.
- 4.2 The 8 February MPC meeting minutes then revealed another sharp hardening in MPC warnings on a more imminent and faster pace of increases in Bank Rate than had previously been expected. Market expectations for increases in Bank Rate, therefore, shifted considerably during the second half of 2017-18 and resulted in investment rates from 3 – 12 months increasing sharply during the spring quarter.

5. Overall Treasury Position as at 31 March 2018

- 5.1 At the beginning and the end of 2017/18 the Council's treasury position was as follows:

	31 March 2017 Principal £'000	Rate/ Return	Average Life yrs	31 March 2018 Principal £'000	Rate/ Return	Average Life yrs
Total debt	260,325	3.2%	14.03	260,325	3.2%	13.03
CFR	260,325			260,325		
Over / (under) borrowing	0			0		
Total investments	118,183	0.68%	0.48	118,606	0.75%	0.69
Net debt	142,142			141,719		

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6. The Borrowing Requirement and Debt

6.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

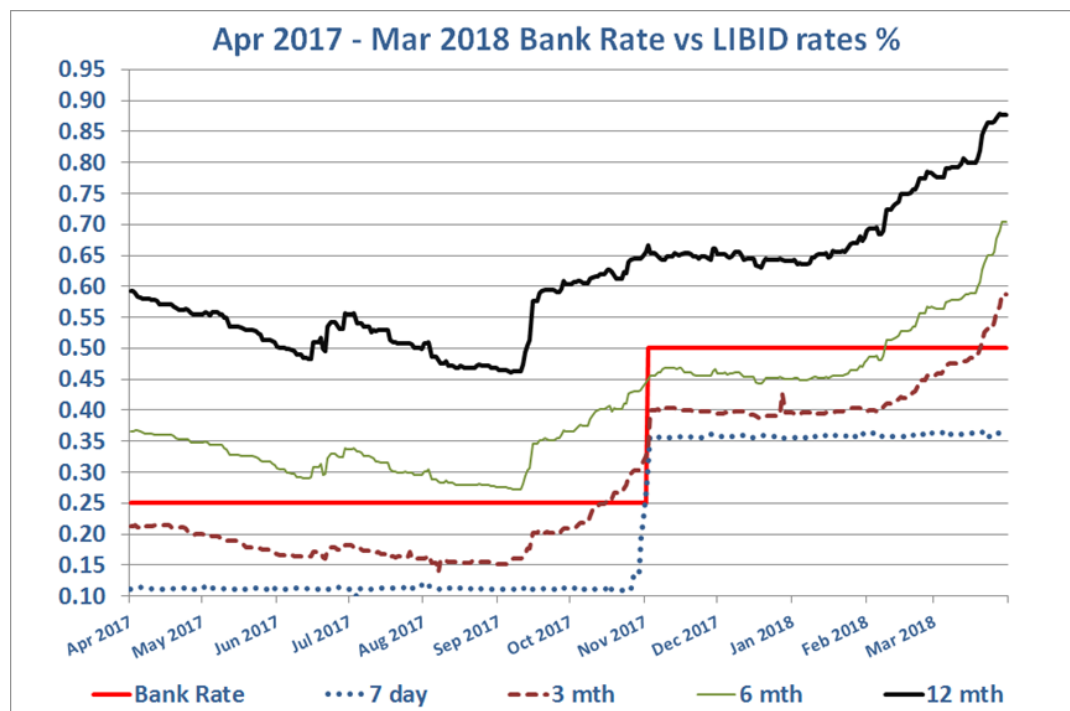
	31 March 2017 Actual £'000	31 March 2018 Budget £'000	31 March 2018 Actual £'000
CFR General Fund (£000)	0	0	0
CFR HRA (£000)	260,325	260,325	260,325
Total CFR	260,325	260,325	260,325

7. Borrowing Outturn for 2017/18

7.1 No borrowing was undertaken during the year.

8. Investment Rates in 2017/18

8.1 Investments rates for 3 months and longer have been on a rising trend during the second half of the year in the expectation of Bank Rate increasing from its floor of 0.25%, and reached a peak at the end of March. Bank Rate was duly raised from 0.25% to 0.50% on 2 November 2017 and remained at that level for the rest of the year. However, further increases are expected over the next few years. Deposit rates continued into the start of 2017/18 at previous depressed levels due, in part, to a large tranche of cheap financing being made available under the Term Funding Scheme to the banking sector by the Bank of England; this facility ended on 28 February 2018.



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9. Investment Outturn for 2017/18

- 9.1 **Investment Policy** – the Council’s investment policy is governed by Government guidance, which was been implemented in the annual investment strategy approved by the Council on 22/02/2017. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data such as rating outlooks and credit default swaps.
- 9.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 9.3 **Investments held by the Council** - the Council maintained an average balance of £135,874,564 of internally managed funds. The internally managed funds earned an average rate of return of 0.63%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.21%. This compares with a budget assumption of £113,125,000 investment balances earning an average rate of 0.50%. See appendix 2 for a list of investments held at 31 March 2018.
- 9.4 Investments balances are higher than forecast in the strategy due to slippage in the capital programme. The rate of return was higher due to the increase in the base rate in November 2017 and the anticipated further rise in May 2018 (though market changes meant that this never materialised).

10. Implications

- 10.1 The financial and legal implications are addressed throughout this report. The Council’s investments were managed in compliance with the Code and the Prudential Code through the year.

11. Background Papers

[Treasury Management Strategy for 2017/2018 – Cabinet, 8 February 2017; OSC, 6 February 2017 \[FIN/404 refers\]](#)

[Treasury Management Mid-Year Review 2016/2017 – Cabinet, 29 November 2017; OSC, 27 November 2017 \[FIN/426 refers\]](#)

Report author and contact officer: Paul Windust, Chief Accountant (01293 438693)

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Appendix 1: Prudential and Treasury Indicators

During 2017/18, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2016/17 Actual £000	2017/18 Original £000	2017/18 Actual £000
Capital expenditure <ul style="list-style-type: none">• General Fund• HRA• Total	14,823 16,294 31,117	13,901 37,468 51,369	6,079 23,375 29,454
Capital Financing Requirement: <ul style="list-style-type: none">• General Fund• HRA• Total	0 260,325 260,325	0 260,325 260,325	0 260,325 260,325
Gross borrowing	260,325	260,325	260,325
External debt	260,325	260,325	260,325
Investments <ul style="list-style-type: none">• Longer than 1 year• Under 1 year• Total	5,000 113,183 118,183	83,110	20,000 98,606 118,606
Net borrowing	142,142	177,215	141,719

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2016/17) plus the estimates of any additional capital financing requirement for the current (2017/18) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2017/18.

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2017/18 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of 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.

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	2017/18 £000
Authorised limit	270,325
Maximum gross borrowing position	260,325
Operational boundary	260,325
Average gross borrowing position	260,325

Ratio of financing costs to net revenue stream	31 March 2017 actual	2017/18 original	31 March 2018 actual
Non - HRA	-8.03%	-4.51%	-8.99%
HRA	17.18%	17.59%	18.23%

	31 March 2017 Principal £000	Rate/ Return	Average Life yrs	31 March 2018 Principal £000	Rate/ Return	Average Life yrs
Fixed rate funding:						
-PWLB	260,325	3.2%	14.03	260,325	3.2%	13.03
-Market	0	0%		0	0%	
Variable rate funding:						
-PWLB	0	0%		0	0%	
-Market	0	0%		0	0%	
Total debt	260,325	3.2%	14.03	260,325	3.2%	13.03
CFR	260,325			260,325		
Over/ (under) borrowing	0			0		
Total investments	118,183	0.68%	0.48	118,606	0.75%	0.69
Net debt	142,362			141,719		

The maturity structure of the debt portfolio was as follows:

	Lower limit	Upper limit	31 March 2018 actual
Under 12 months	0%	10%	£0.00m (0%)
12 months and within 24 months	0%	10%	£0.00m (0%)
24 months and within 5 years	0%	10%	£11.00m (4%)
5 years and within 10 years	0%	20%	£69.00m (27%)
10 years to 20 years	0%	80%	£180.33m (69%)
20 years to 30 years	0%	25%	£0.00m (0%)
30 years to 40 years	0%	10%	£0.00m (0%)
40 years to 50 years	0%	10%	£0.00m (0%)

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The exposure to fixed and variable rates was as follows:

Debt portfolio £000	31 March 2017 actual	2017/18 original limits	31 March 2018 actual
Fixed rate	260,325	270,325	260,325
Variable rate	0	10,000	0

Investment portfolio £000	31 March 2017 Actual	2017/18 original limits	31 March 2018 Actual
Fixed rate	111,996	140,000	111,267
Variable rate	7,187	40,000	7,339

Detailed holdings at 31 March 2018

APPENDIX 2

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
AUSTRALIA BANKS									
Australia and New Zealand Banking Group	2436	17/08/2017	03/08/2018	125	0.400%	0.996	0.996	10.000	AA-
Commonwealth Bank of Australia	2422	24/05/2017	23/05/2018	53	0.520%	5.000			
	2439	01/09/2017	31/08/2018	153	0.500%	2.000	7.000	10.000	AA-
UK BANKS									
Goldman Sachs International Bank	2391		01/04/2018	1	0.755%	2.000	2.000	10.000	A
Lloyds Bank plc	20		01/04/2018	1	0.400%	0.139	0.139	10.000	A
The Royal Bank of Scotland plc	2427	28/06/2017	27/06/2018	88	0.660%	2.000			
	2428	04/07/2017	29/06/2018	90	0.613%	3.002	5.002	15.000	BBB-
Standard Chartered Bank	2469	29/03/2018	09/05/2018	39	0.720%	0.501	0.501	10.000	A
UK BUILDING SOCIETIES									
Coventry BS	2460	08/02/2018	08/08/2018	130	0.600%	1.500	1.500	10.000	A
CANADA BANKS									
Toronto Dominion Bank	2444	18/09/2017	17/09/2018	170	0.510%	2.000	2.000	10.000	AA-
CORPORATE BONDS									
Daimler AG	2453	15/11/2017	16/07/2018	107	0.750%	1.597	1.597	2.000	A-
GERMANY BANKS									
Landesbank Hessen-Thueringen Giroze	2426	27/06/2017	26/06/2018	87	0.480%	1.500			
	2450	03/11/2017	02/11/2018	216	0.700%	2.000	3.500	10.000	A
LOCAL AUTHORITIES									
Blackburn with Darwen BC	2467	29/03/2018	30/04/2018	30	0.850%	5.000	5.000	15.000	AA
Blackpool BC	2451	24/11/2017	23/11/2018	237	0.600%	4.000	4.000	15.000	AA
Central Bedfordshire Council	2472	29/03/2018	30/04/2018	30	0.670%	3.000	3.000	15.000	AA
Conwy County Borough Council	2455	01/12/2017	01/06/2018	62	0.520%	5.000	5.000	15.000	AA
Dumfries & Galloway Council	59	01/12/2017	02/12/2019	611	0.900%	5.000	5.000	15.000	AA
Eastleigh Borough Council	2468	28/03/2018	28/06/2018	89	0.900%	1.500	1.500	15.000	AA
Kingston-Upon-Hull City Council	36	02/12/2013	02/12/2021	1342	2.750%	5.000	5.000	15.000	AA
Mid Suffolk District Council	2461	28/03/2018	28/09/2018	181	0.750%	3.000	3.000	15.000	AA
Newcastle City Council	58	01/02/2018	03/02/2020	674	1.000%	5.000	5.000	15.000	AA
Northamptonshire County Council	2456	01/03/2018	28/02/2019	334	0.700%	5.000	5.000	15.000	AA
North Tyneside MDC	2447	02/10/2017	01/10/2018	184	0.560%	3.170			
	2457	21/12/2017	20/12/2018	264	0.750%	3.000	6.170	15.000	AA

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
Peterborough City Council	57	27/11/2017	27/11/2019	606	0.900%	5.000	5.000	15.000	AA
City of Salford MDC	2445	30/10/2017	30/04/2018	30	0.450%	5.000			
	2448	16/11/2017	16/05/2018	46	0.450%	3.000	8.000	15.000	AA
Southampton City Council	2446	02/10/2017	01/10/2018	184	0.550%	5.000	5.000	15.000	AA
Stockport MBC	2462	29/03/2018	28/03/2019	362	0.850%	6.000	6.000	15.000	AA
Thurrock Borough Council	2454	08/12/2017	08/06/2018	69	0.520%	3.000			
	2458	05/01/2018	04/01/2019	279	0.700%	4.000	7.000	15.000	AA
Walsall Council	2459	31/01/2018	30/01/2019	305	0.700%	2.500	2.500	15.000	AA
MONEY MARKET FUNDS									
Standard Life Investments LF	4		01/04/2018	1	0.462%	3.450	3.450	6.000	AAA
Federated Prime Rate Cash Man	1		01/04/2018	1	0.455%	1.740	1.740	6.000	AAA
NETHERLANDS BANKS									
Rabobank Group	2449	01/11/2017	01/05/2018	31	0.520%	2.000	2.000	10.000	A+
SWEDEN BANKS									
Svenska Handelsbanken	17		01/04/2018	1	0.107%	0.010	0.010	10.000	AA-
SWITZERLAND BANKS									
UBS AG	2420	15/05/2017	11/04/2018	11	0.573%	2.000			
	2434	02/08/2017	21/06/2018	82	0.492%	1.001			
	2443	12/09/2017	11/09/2018	164	0.480%	3.000	6.000	10.000	A+

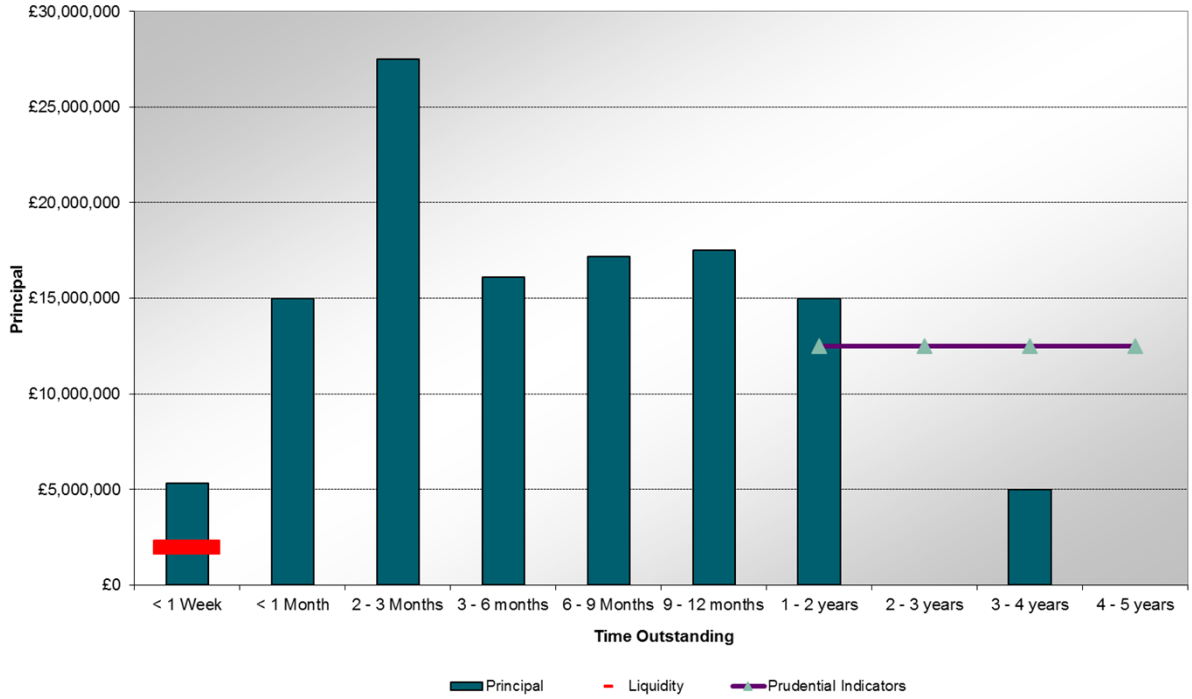
INVESTMENT PROPERTIES						118.606			
						21.322			

						252			

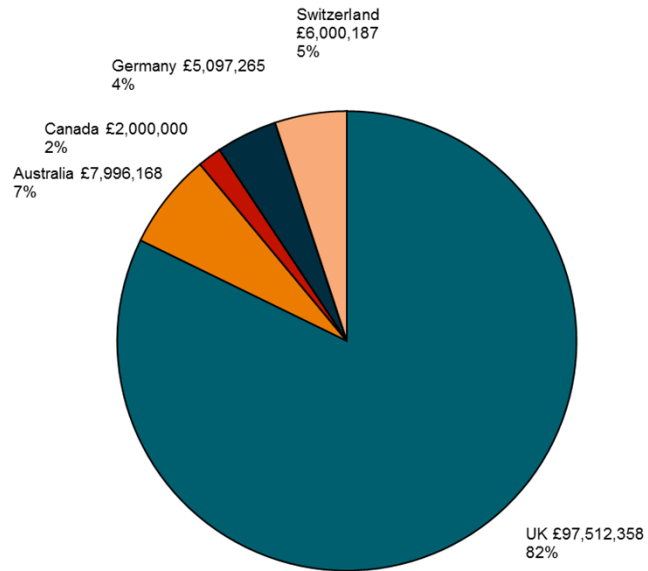
						139.928			

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Compliance with Liquidity and Prudential Indicator Limits

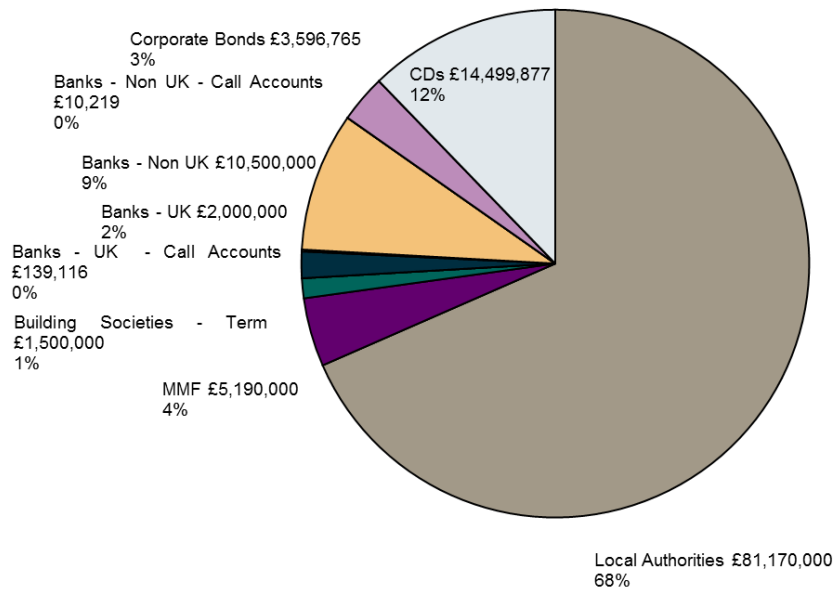


Country Limits



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Sector Diversification



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Crawley Borough Council

Report to Overview and Scrutiny Commission 25th June 2018

Report to Cabinet 27th June 2018

Licensing Houses in Multiple Occupation (HMOs)

Report of the Head of Strategic Housing and Planning Services – **SHAP/75**

1. Purpose

- 1.1 Legislation comes into force on 1st October 2018 that extends the mandatory licensing of houses in multiple occupation (HMOs) under the Housing Act 2004 to include all HMOs (regardless of the number of storeys) with five or more occupants forming two or more households. The purpose of this paper is to recommend that Cabinet note the use of the new mandatory duties, agree the proposed fee structure for issuing and renewing such licenses and note the change in working practices required to meet the new demands.

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 Cabinet is recommended to:

- 2.2.1 Note the use of the new mandatory duties to license all licensable HMOs, as summarised in sections 4.1 to 4.3 of this report.
- 2.2.2 Approve the proposed fee structure, as summarised in section 5 of this report.
- 2.2.3 Note the proposed changes to working practices to meet the new demands placed on the service as a result of this new legislative burden as set out in Appendix One and agree the appointment of one additional full-time member of staff, to be funded from the additional fee income.

3. Reasons for the Recommendations

- 3.1 The legislation extends the mandatory licensing of HMOs and the Council's Private Sector Housing Team are legally required to implement it.
- 3.2 The current fee structure is fair, proportionate and continues to reflect the cost of providing the service.
- 3.3 Additional resources will be required to meet the increased work generated by the legislation change.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

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4. Background

- 4.1 Historically, mandatory licensing only covered HMO properties of three storeys or more with five or more occupants forming two or more households. The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 extends mandatory licensing to include all HMOs with five or more occupants forming two or more households.
- 4.2 Landlords of HMOs with five or more occupants forming two or more households need to apply for a licence before the legislation comes into force on 1st October 2018. Failure to do so by this date will be a criminal offence.
- 4.3 The 2015 BRE Dwelling Level Housing Stock Modelling report estimated that Crawley has 513 HMOs in total, of which 55 are currently licensed under the existing Mandatory Licensing scheme. Based on the BRE report, there could be at least a further 460 HMOs in the borough, the majority of which are likely to be two storey properties due to the housing stock. Not all HMOs will require a licence, as those with four or fewer occupants are excluded from licensing requirements.

5. Proposed Licence Fees

- 5.1 The proposed licensing fees (as shown below) are the same as existing HMO licence fees:

Fees for shared accommodation:

Number of Occupants	Initial fee	Renewal fee
For a property accommodating 5 persons	£1099	£780
For a property accommodating 6 persons	£1118	£793
For a property accommodating 7 persons	£1135	£808
For a property accommodating 8 persons	£1151	£822
For a property accommodating 9 persons	£1171	£835
For a property accommodating 10 or more persons	£1187	£850

Fees for bedsit accommodation:

Number of Occupants	Initial fee	Renewal fee
For a property accommodating 5 persons	£1453	£1067
For a property accommodating 6 persons	£1524	£1125
For a property accommodating 7 persons	£1595	£1180
For a property accommodating 8 persons	£1667	£1239
For a property accommodating 9 persons	£1736	£1295
For a property accommodating 10 or more persons	£1809	£1354

Fees for hostel accommodation:

Number of Occupants	Initial fee	Renewal fee
For a property accommodating up to 10 persons	£1099	£780
For a property accommodating 11 - 20 persons	£1453	£1067
For a property accommodating 21 - 30 persons	£1809	£1354

- 5.2 The following table shows the initial licence fees charged by other West Sussex LHAs for a shared house occupied by 5 persons for comparison purposes.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

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Local Authority	Initial fee
Arun DC	£1261.00
Chichester DC	£854.90
Mid Sussex DC	£950.00
Horsham DC	£836.00

- 5.3 Local housing authorities are required to set licence fees to reflect the costs of providing the HMO licensing service. The fees can take into account the costs of developing the service, processing applications and monitoring accommodation.¹
- 5.4 The income generated from these fees must be ring-fenced to cover the cost of providing the HMO Licensing Service, including all overheads and oncosts.²
- 5.5 The Council Executive adopted the original HMO Licence fees in 2006 when Mandatory HMO Licensing was first introduced and those original fees have formed the basis of HMO licence fees ever since. These have been increased in line with the budget strategy.
- 5.6 There is no proposed reduction or increase in licence fees as a desktop exercise carried out as part of this implementation confirms the current charges are still appropriate and therefore applicable to the extended HMO licensing scheme.
- 5.7 No other West Sussex LHA are proposing to alter their HMO licence fees at this time although the Sussex Housing Group will be reviewing licence fees across the county as part of its annual work plan.

6. Description of Issue to be Resolved

- 6.1 This report recommends Cabinet note the use of the new mandatory duties, agree the proposed fee structure for issuing and renewing such licenses, note the change in working practice required and approve the additional staffing resource required to meet the new demands.

7. Information & Analysis Supporting Recommendation

- 7.1 Government are planning to release guidance regarding use of these powers *after* the legislation comes into force in October 2018.

8. Implications

- 8.1 Financial – It is estimated that the extension of mandatory licensing could generate in the order of £500,000 in the first year (based on 460 additional HMO licences x £1,099.00 per licence). As this is a five year license, £100,000 will be accounted for in each of five years.
- 8.2 Approximately £350,000 will be received in year 6 (as licenses must be renewed every five years) which equates to £70,000 per annum for years 6 to 10 (based on a renewal fee of £780.00).
- 8.3 The cost of an additional permanent member of staff will be £41,200 plus overheads. In the first year additional temporary resourcing will required to meet the demands of the service, these costs can be accounted for over the five years of the license. The net effect would result in a break even position over the period.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

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- 8.4 The additional resources required to fulfil the burden placed on the authority by this legislation will be funded through the additional income generated. Further information is detailed in Appendix One.
- 8.5 Legal – The extension of the mandatory HMO licensing scheme is likely to generate additional enforcement work, as this part of the private rented sector has not been subject to this level of regulation and scrutiny before. Legal advice and/or guidance is likely to be required if cases proceed beyond the service of notices.
- 8.6 The extent of Legal input needed is difficult to quantify at this time, but will be spread over the course of five years as programmed inspections identify issues with the properties concerned.
- 8.7 Equalities Impact – The Equalities Impact Assessment has identified that the implementation of this legislation will not have an adverse equalities impact. A copy of the assessment is at Appendix Two.
- 8.8 Environmental – There are no environmental implications resulting from use of this legislation.

9. Background Papers

- 9.1 There are no background papers associated with this report.

Contact Officer: *Chris Modder (Private Sector Housing Manager)*
chris.modder@crawley.gov.uk 01293 438418.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

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APPENDIX ONE – Resourcing Details

Demand:

The Private Sector Housing Team (PSHT) have identified 355 properties being let as HMOs during the course of their work. The 2015 BRE Dwelling Level Housing Stock Modelling report estimated that Crawley has 513 HMOs in total. Experience suggests that for every HMO that is known to the PSHT, there will be another HMO that is unknown. However, not all HMOs will require licensing as some HMOs will contain fewer than five occupants. Excluding the 55 [three storey] HMOs already licensed from the number predicted in the BRE report equates to 458. This is the best figure on which to base likely demand and has been rounded to 460.

Potential Income (based on 460 HMOs):

- Income from licence applications (in year 1) = £505,540 (for years 1 to 5)
- Income from renewing licenses (on 5 year cyclical basis) = £358,800 (for years 6 to 10)

Resourcing:

The law states that HMO licenses should be determined within a “reasonable period”³. The turnaround time for a licence at present is 3 months. If this paper is agreed at Cabinet this allows three months during which we would expect to receive licence applications (before the October deadline), allow a further three months for licenses to be determined and we have a six month window in which the Council should determine licence applications.

The process of licensing HMOs is also likely to generate enforcement work (as outlined in 8.5 of the main report). However it is not possible to estimate the volume of work with any degree of accuracy as the number of licensable HMOs and their condition are unknown.

Current Way of Working - Issuing Licences after Inspection of Property

HMO licence fees are currently set on the basis that each application requires 16.5 hours of officer and manager time to determine the application (including an inspection of the property before the licence is issued).

Time to license HMOs if inspections are carried out before issuing the licence:

16.5 hrs x 460 HMOs = 7590 hours of work (1012 7.5 hour working days¹ / 203 weeks / 51 months / 4.25 years)

To resource this 8.5 additional staff will be required over the 6 month period (if we adhere to a 3 month turnaround time). **This would not cover the enforcement work that would be generated and further additional resources would be required to meet this demand.**

In five years' time HMO landlords would need to apply to renew their licences. HMO renewal fees are currently set on the basis that each application requires 13.5 hours of officer and manager time to determine the application (including an inspection of the property before the licence is renewed).

Time to renew licences if inspections are carried out before renewing the licence:

13.5 hrs x 460 HMOs = 6210 hours of work (828 days² / 168 weeks / 42 months work/ 3.5 years)

To resource this 7 additional staff would be required over the 6 month period (if we adhere to a 3 month turnaround time).

1 Section 63(7) of the Housing Act 2004

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3 Section 55 (5)(b) of the Housing Act 2004

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Note: Agency Private Sector Housing Officers currently attract a market rate of £30 - £40 per hour (figure obtained from Oyster Partnership agency) and agencies will usually charge approximately 20% for their involvement in the placement. An hourly rate of £30 equates to an overall cost of £57,720 per annum (excluding agency fee). A private sector housing officer did work with the team (via an agency) in 2015 at a cost of £30 per hour.

Proposed Change to Working - Inspection of Property after Issuing Licences

If HMOs were inspected on a programmed basis after the licence was issued (but within the 5 year period as required by law) this would reduce the initial time to issue the licence to 11.5 hours. This would allow the workload to be spread over a greater time period.

Time to licence HMOs if inspections are carried out after issuing the licence:

11.5 hrs x 460 HMOs = 5290 hours of work (approx. 705 days' / 143 weeks / 36 months / 3 years work)

To resource this you would need 6 staff over the 6 month period (if we adhere to a 3 month turnaround time). The remaining 2300 hours of deferred inspection and follow-up work could be carried out by one full-time officer in 62 weeks. It is proposed that 5 agency staff are utilised over a 6 month period with the recruitment of 1 full time member of staff which would also then be able to carry out the additional enforcement work.

In five years' time HMO landlords would need to apply to renew their licences. HMO renewal fees are currently set on the basis that each application requires 13.5 hours of officer and manager time to determine the application. If HMOs were inspected on a programmed basis after the licence was renewed (but within the 5 year period) this would reduce the initial time to issue the licence to 11.5 hours.

Time to renew licences if inspections are carried out after renewing the licence:

11.5 hrs x 460 HMOs = 5290 hours of work (approx. 705 days' / 143 weeks / 36 months / 3 years work)

To resource this you would need 6 staff over the 6 month period (if we adhere to a 3 month turnaround time). The remaining 920 hours of work deferred inspection and follow-up work could be carried out by the one full-time officer in 25 weeks.

Considerations:

- Resourcing the additional licences should be covered by the additional income generated along with the associated Court/Tribunal costs of enforcement.
- With the current way of working, the narrow timescale for inspections (over 6 months) would result in all enforcement work being identified and actioned over a very short period of time and require additional staffing resources to enable the service to cope with the demand. It would also place considerable demand on existing staffing resources (the Private Sector Housing Manager, Legal Services and Fraud Team most notably).
- The exact number of HMOs requiring licensing is currently unknown and the risk of not being flexible to respond to actual demand could result in additional costs to those detailed above if under estimated.
- Whilst we will be advertising the need to apply for a licence from July onwards, landlords may defer applying until September. To be able to process applications in a reasonable time (in 3 months as we currently do) a more steady flow of applications is required.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

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Our initial promotion [of the legislation] will attempt to address this by advising that delays in applying may lead to longer waits [to receive the licence].

- Resilience – Existing Private Sector Housing Officers are both trainees and have minimal levels of formal enforcement and prosecution experience. The team lost one PSHO in May and recruitment for an experienced replacement has been problematic.
- Recruiting a number of experienced agency staff at one time who are available to work the months required could be problematic but will offer the flexibility to meet demand when needed. If the demand is not as predicted, the level of additional staff will not be required and multiple agencies can be approached.
- If staffing resources are not in place to enable the Council to meet demand, we could be open to scrutiny and maladministration if a complaint were to be made and upheld to the Local Government Ombudsman
- The Council risk losing existing staff as they would be unable to meet the demands of the service.
- The issue of where additional staff would be seated and the cost of additional desks and IT have not been factored in at this stage.
- IT options and potential internal resources within other teams such as Environmental Health will be explored going forwards to assist with the work, reduce the burden in five years' time and carry out a comprehensive review of HMO licence fees based on the actual demand for and costs of the HMO service.

Recommendations:

- Authorities do not have to inspect every licensable HMO before issuing a licence but all licensable HMOs have to be inspected within five years. Therefore the recommendation is to inspect properties on a programmed basis after issuing licenses which is cost neutral to the council.
- To employ one additional member of staff on a FTE permanent basis (Scale G/H, £26,486 - £32,529) to meet initial demand (for issuing licenses) and ongoing demand (inspections and enforcement work on a 5 year cyclical basis). The person appointed should be experienced in HMO licencing, inspections and enforcement (i.e. not a trainee). The cost (for budgeting purposes) is £41,200 per annum. Employ agency staff as required on a flexible basis as dictated by demand.
- This allows for programmed inspections over a 5 year period and therefore the FTE post could manage these inspections and any associated enforcement work within their case load.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

APPENDIX TWO - EQUALITY IMPACT ASSESSMENT

Name of activity:	Extending mandatory of HMO licensing for HMOs with five or more occupants forming two or more households	Date Completed:	9th April 2018
Division responsible for activity:	Strategic Housing & Planning Services	Lead Officer:	Hannah Martin
Existing Activity	<input type="checkbox"/>	New / Proposed Activity	<input checked="" type="checkbox"/>
		Changing / Updated Activity	<input type="checkbox"/>

What are the aims / main purposes of the activity?

Legislation is to come into force on 1st October 2018 that extends the scope of mandatory licensing of houses in multiple occupation (HMOs) under the Housing Act 2004 to include all HMOs with five or more occupants forming two or more households.

What are the main actions and processes involved?

For the Private Sector Housing Team, this will mean a significant increase in workload, with a significant number of properties to be licenced. Compliant landlords will not be unduly affected by this legislation, other than the introduction of fees to be paid on a five yearly cycle. Non-compliant landlords will be required to bring their properties up to the required standard and comply with the HMO Management Regulations

Who is intended to benefit and who are the main stakeholders?

These powers were introduced by Government to improve standards in the private rented sector and make landlords more accountable for conditions within their properties.

Have you already consulted on / researched the activity?

Government carried out a consultation in 2016 regarding the extension of mandatory licensing powers and therefore further [local] consultation is not required.

Impact on people with a protected characteristic

Protected characteristics / groups	Is there an impact (Yes / No)	If Yes, what is it and identify whether it is positive or negative

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

Age (older / younger people, children)	No	This legislation was designed to target unscrupulous landlords and improve conditions within HMOs. A person's age has no bearing on the use of this legislation or its impact.
Disability (people with physical / sensory impairment or mental disability)	No	Whether or not a person identifies as having a disability has no bearing on the use of this legislation or its impact.
Gender reassignment (the process of transitioning from one gender to another.)	No	Whether or not a person is undergoing gender reassignment has no bearing on the use of this legislation or its impact.
Marriage & civil partnership	No	Whether or not a person is married or in a civil partnership has no bearing on the use of this legislation or its impact.
Pregnancy & maternity (Pregnancy is the condition of being pregnant & maternity refers to the period after the birth)	No	Whether or not a person is pregnant or on maternity has no bearing on the use of this legislation or its impact.
Race (ethnicity, colour, nationality or national origins & including gypsies, travellers, refugees & asylum seekers)	No	A person's race has no bearing on the use of this legislation or its impact.
Religion & belief (religious faith or other group with a recognised belief system)	No	A person's religion or religious beliefs have no bearing on the use of this legislation or its impact.
Sex (male / female)	No	A person's gender has no bearing on the use of this legislation or its impact.
Sexual orientation (lesbian, gay, bisexual, heterosexual)	No	A person's sexual orientation has no bearing on the use of this legislation or its impact.
Whilst Socio economic disadvantage that people may face is not a protected characteristic; the potential impact on this group should be also considered	No	A person's socio economic status has no bearing on the use of this legislation or its impact.

1 Section 63(7) of the Housing Act 2004

2 'Open for business – LGA Guidance on locally set licence fees'

3 Section 55 (5)(b) of the Housing Act 2004

What evidence has been used to assess the likely impacts?

Government have already carried out an impact assessment regarding the introduction of this legislation, therefore further [local] assessment is not required.

What resource implications are there to deliver actions from this EIA?

Financial – It is estimated that the extension of mandatory licensing could generate approx. £505,540 in the first year (based on 460 additional HMO licences x £1,099.00 per licence) and approx. £358,800 on a five yearly cyclical basis (as licenses must be renewed at least every five years and renewal fees are lower at £780.00).

Legal – The extension of mandatory licensing is likely to generate additional enforcement work, as this part of the private rented sector has not been subject to this level of scrutiny before. Legal input may be required if cases proceed beyond the service of notices.

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?

No

Does the activity have a **negative impact** on any of the protected groups, i.e. disadvantage them in any way.

No

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
None identified			

Monitoring & Review

Date of last review or Impact Assessment:

Not applicable

1 Section 63(7) of the Housing Act 2004
 2 'Open for business – LGA Guidance on locally set licence fees'
 3 Section 55 (5)(b) of the Housing Act 2004

Date of next 12 month review:	
Date of next 3 year Impact Assessment (from the date of this EIA):	

Date EIA completed:	9 th April 2018
Signed by Person Completing:	Hannah Martin
Date Sent to HR and Equalities Team:	
Approved by Head of Service:	

1 Section 63(7) of the Housing Act 2004
2 'Open for business – LGA Guidance on locally set licence fees'
3 Section 55 (5)(b) of the Housing Act 2004

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Agenda Item 9

Crawley Borough Council

Report to Overview and Scrutiny Commission
25 June 2018

Report to Cabinet
27 June 2018

Crawley Growth Programme – Update

Report of the Head of Economic and Environmental Services, **PES/298**

1. Purpose

- 1.1. To provide a progress update to Cabinet on the Crawley Growth Programme, including further details on Programme governance, set out in sections 5 & 6 of this report.
- 1.2. To seek Cabinet approval to add the existing capital schemes for Three Bridges Station Improvement scheme and the Queensway – the Pavement scheme to the ‘Crawley Growth programme budget header’ as shown in section 7.2.
- 1.3. To seek Cabinet approval to increase the capital programme allocation to the Crawley Growth Programme by a further £587,595, of received S106 developer contributions. This will increase the budget to £7,381,354. The Table in section 7.6 below gives the breakdown of this overall budget.
- 1.4. To seek Cabinet approval to allocate £2.62m of capital monies from the existing Crawley Growth programme budget header in the capital programme to the individual Crawley Growth programme schemes set out in section 7.7 of this report.
- 1.5. To seek Cabinet approval to add the Station Gateway scheme to the capital programme under the Crawley Growth Programme budget header, as set out in section 7.3.

2. Recommendations

- 2.1. To the Overview and Scrutiny Commission:
 - 2.1.1. That the Commission consider the report and decide what comments, if any, it wishes to make to the Cabinet.
- 2.2. That Cabinet:
 - 2.2.1. Approve the addition of the existing Three Bridges station improvement scheme and the Queensway – the Pavement scheme to the ‘Crawley Growth programme’ budget header.
 - 2.2.2. Approve the allocation of £2,620,000 from the existing Crawley Growth programme capital programme monies to the individual schemes as outlined in section 7.7 of this report.
 - 2.2.3. Approve an increase to the overall Crawley Growth programme capital programme allocation of £587,595 of received S106 monies, as set out above and in section 7.5 of this report.
 - 2.2.4. Approve the addition of the Station Gateway scheme to the Crawley Growth Programme budget and an allocation of £100,000 to the scheme, as set out in section 7.3 of this report.

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3. Reasons for Recommendations

- 3.1. The eight schemes listed below in the table in section 5.2 of this report are all part of the Crawley Growth programme of schemes, in accordance with the funding agreement between West Sussex County Council and the Coast to Capital Local Enterprise Partnership and the Partnership Agreement between West Sussex County Council and Crawley Borough Council. The purpose of the recommendations in 2.2.1, 2.2.2 and 2.2.4 above therefore is to ensure that these schemes are added to the Crawley Growth programme budget header within the CBC capital programme, each with their own capital funding allocation, further to Cabinet approval of the Crawley Growth programme on 4 October 2017.
- 3.2. In addition, the previous Cabinet report on the Crawley Growth programme informed Members that the Crawley Growth programme will be part financed by an allocation of £2,481,000 of S106 funding, as set out in the report to Cabinet of 4 October 2017. To date Crawley BC has received £1,814,389 in developer contributions, of which £393,759 has already been allocated to Three Bridges Railway Station Improvement (PES/280). £833,035 has been set aside for Crawley Growth Programme schemes where West Sussex CC are the project lead (subject to the standard S106 approval process) and a further £113,000 of S106 contributions has been paid direct to West Sussex CC in accordance with a specific clause in a S106 agreement. The purpose of the recommendation set out in 2.2.3 is therefore to allocate the remaining £587,595 S106 funds currently held by Crawley BC to the Crawley Growth programme budget header.

4. Background

- 4.1. At the meeting of Cabinet on 4 October 2017, Cabinet members were informed that the total cost of the Crawley Growth Programme is anticipated to be £60.4 million and that it will be funded from multiple sources including £29.081m to be funded from private sector external organisations including Metrobus, MRBID, GAL and developer contributions.
- 4.2. The remaining £31.592m for the overall investment package is to be provided as follows :

Programme Funding	£m's	Comments
LGF	14.640	
West Sussex CC	7.891	
CBC Capital (see section 6.2)	5.400	
S106 (CBC)	2.368	NB subject to normal S106 approval process
S106 (WSCC – for the Worth Park Avenue cycle way scheme)	0.113	
CBC CIL (for the Three Bridges station and London Rd/ Manor Royal junction Improvement)	1.180	
TOTAL	31.592	

5. Programme update

- 5.1. The current funds available to the Crawley Growth Programme budget header within the CBC capital programme stand at £7,381,354 subject to the approvals included within this report; with an additional £1,490,646 anticipated to be received from CIL (£1,000,000), S106 (£168,646) and West Sussex County Council (£322,000). Once received these funds will be added to the Crawley Growth programme budget header.
- 5.2. Subject to receipt of the above additional funds, Crawley Borough Council will be the lead organisation for the delivery of Crawley Growth programme schemes totalling £8.872m. Crawley Borough Council will deliver part of the Station Gateway project with West Sussex County Council remaining as the lead authority. The individual scheme budget allocations are as below:

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Scheme Costs	Lead Org	Contractual Budget (£m's)
Manor Royal Cycle Imps	CBC	1.992
Manor Royal Superhubs	CBC	0.300
Queensway	CBC	2.200
Three Bridges Station	CBC	2.900
Town Centre Cycle Imps	CBC	1.100
Town Centre Signage	CBC	0.180
Town Centre Superhubs	CBC	0.100
Station Gateway	WSCC	0.100
	Total	8.872

5.3. Since the LEP Board granted funding for the Crawley Growth Programme in September 2017, significant progress has been made, both in terms of governance protocols and individual scheme delivery:

5.4. Key highlights include:

- **Queensway & The Pavement** – planning permission granted January 2018; currently seeking a construction contractor; works anticipated to start on site January 2019; completion October 2019.
- **Station Gateway and Eastern Gateway** public realm and highway improvements – preliminary designs complete; public information sessions to be held in June 2018. Anticipated construction period April 2020 to June 2021
- **Cycling & Walking Improvements** – priority schemes identified; initial design work commenced; design approach agreed with WSCC; process to recruit dedicated project manager complete. Project Manager starts Aug 18.
- **Haslett Avenue East / Three Bridges station- Traffic Signal Upgrades** - complete
- **Bus Shelter Real Time Passenger Information (RTPI) Installations** – completed with an additional 66 RTPI displays installed across the network
- **Worth Park Avenue Cycle Path to Three Bridges station**– complete
- **Manor Royal Junction Improvements** – progressing well with feasibility design work underway, work anticipated to be delivered in 2019 and 2020.
- **Gatwick Railway Station Improvements** – planning application submitted; decision due shortly
- **Three Bridges Station Improvements** – extensive public consultation completed Jan-Feb 2018; strategic partner commitment and funding secured; revised design proposals underway along with a programme of intensive traffic modelling.
- **Town Centre Commercial Space Growth** – consultants appointed to undertake town centre commercial space analysis, focused on key opportunity sites; final report due by end July 2018.
- **Town Centre Signage & Wayfinding** – 20 new fingerposts and monoliths installed across the town centre March 2018
- **Bandstand** relocation to Memorial Gardens complete; official opening 16 June 2018.

6. Crawley Growth Programme governance - update

6.1. West Sussex County Council has taken on the role of lead delivery body for the Crawley Growth Programme and a Funding Agreement between WSCC and the LEP has been signed to this effect. This sets out the obligations for overall delivery and financial management of the programme and provision of quarterly progress reports / financial claims to the Coast to Capital Local Enterprise Partnership in order to draw down LGF monies against agreed expenditure.

6.2. Crawley Borough Council has signed a partnership agreement with West Sussex County Council, which confirms the Crawley Growth programme governance, budget and delivery arrangements and the responsibilities of each authority for management of the programme.

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The partnership agreement references the Funding Agreement between West Sussex C.C and the Coast to Capital Local Enterprise Partnership. On 4 October 2017 (PES/259), Cabinet authorised delegated authority to the Head of Economic and Environmental Services (in consultation with Head of Legal and Democratic Services) to sign an agreed partnership agreement with West Sussex C.C

- 6.3. The overall co-ordination and strategic management of the Crawley Growth Programme is undertaken by the Crawley Growth Board, chaired by the Chief Executive of Crawley Borough Council with the Executive Director for Economy, Infrastructure and Environment at WSCC and attended by senior representatives from Crawley BC, WSCC and project specific partner organisations.
- 6.4. The regular monitoring and oversight of the individual schemes within the Programme is undertaken by the Crawley Growth Programme Delivery Team, comprising officer representatives from Crawley BC, WSCC and scheme partners. The Delivery Team reviews project updates (including projection initiation documents, risk registers, communication plans) and compiles programme level reports and analysis for the Crawley Growth Board.
- 6.5. The Crawley Growth Programme includes the following key strategic partners and delivery bodies: Manor Royal BID, Gatwick Airport Ltd, Arora Group, Network Rail, Govia Thameslink Railway (GTR) Southern, Town Centre Partnership and town centre businesses.
- 6.6. Ongoing key decisions related to the delivery of the Crawley Growth programme will be taken by Cabinet in regard to Crawley BC led schemes and through the West Sussex CC decision making processes, in regard to WSCC led schemes.

7. Proposals to add existing schemes to the Crawley Growth Programme budget header.

- 7.1. On 4 October 2017, (minute 32 refers) Cabinet approved the allocation of £2.8 million of Crawley BC capital programme funding from the Town Centre Regeneration Fund to the Crawley Growth Programme, to help unlock £14.6m of Local Growth Funding (LGF) from the LEP.
- 7.2. It is proposed to add the existing Three Bridges Station improvement scheme and Queensway – The Pavement to the Crawley Growth Programme, as set out in the table below.

Current Budget	Crawley	WSCC (Phase 1)	S106	Currently in the capital programme	Cabinet report
Crawley Growth	2,620,000			2,620,000	PES/259 - 04.10.17
Town Centre signage	180,000			180,000	PES/252 - 29.11.17
Sub total	2,800,000			2,800,000	
Queensway	1,100,000	900,000		2,000,000	PES/230 - 22.03.17
Three Bridges Station	1,500,000		393,759	1,893,759	PES/280 - 21.03.18
Combined total	5,400,000	900,000	393,759	6,693,759	

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Proposals to add Station Gateway, to the Crawley Growth Programme Budget.

- 7.3. Crawley Borough Council will be responsible for delivering part of the Station Gateway project related to the preparation of scheme detailed designs. West Sussex County Council is the lead authority for the project and will pay Crawley Borough Council for our contribution to scheme delivery, which will enable a budget of up to £100k.
- 7.4. **Station Gateway** – A programme of public realm upgrades to transform the living environment, with the provision of increased bus bays and new bus shelters. The scheme will also see a number of highway changes to improve pedestrian space and crossings. All of this will help unlock the redevelopment of the Station Gateway site, which has outline planning permission for 308 high quality residential apartments and a new railway station.

Proposals to add S106 funds to the Crawley Growth Programme Budget

- 7.5. The proposal is to increase the overall CBC capital programme allocation to the Crawley Growth Programme by a total of £587,595 of S106 developer contributions, which have already been paid to the Council. The S106 contributions will not be committed to specific projects until they have gone through the established Crawley Borough Council S106 approval process, subject to which S106 funds will then be requested to be added to individual Crawley Growth programme schemes through the Quarterly budget monitoring reports. Members will be kept informed as to the outcome of the approval process through the Members Information Bulletin.
- 7.6. The above additions to the 'Crawley Growth Programme mean that the total capital funding allocation to the Programme rises to £7,381,354 as shown in the table below.

Crawley Growth Programme	Budget
Current items in the capital programme	
Three Bridges Railway Station	£ 1,893,759
Queensway - The Pavement	£ 2,000,000
Unallocated Crawley Growth Programme monies	£ 2,620,000
Town Centre Signage & Wayfinding	£ 180,000
Total within the existing capital programme	£6,693,759
Station Gateway	£100,000
S106 allocation	£587,595
Revised capital programme for the Crawley Growth programme	£7,381,354

Proposed Allocations to Individual CGP schemes

- 7.7. It is proposed to allocate the above £2,620,000 of capital monies from the overall Crawley Growth programme allocation to the following schemes:
- **Manor Royal cycle improvements (£1,662,000)** – A programme of cycle path upgrades and cycle route network development across Manor Royal, linking Manor Royal more effectively to Crawley Town Centre and Gatwick and Three Bridges station railway stations. This will improve greatly the ability to commute by bike into and out of Manor Royal.
 - **Town Centre cycle improvements (£954,000)** - A programme of cycle path improvements to improve significantly connectivity within the town centre, including a “ring” route around the town centre core, along the Boulevard, College Road and Station Way. This will greatly improve cycle connectivity between key town centre regeneration sites and the town centre core.

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- **Super-hubs (£4,000)** - The provision of larger higher quality bus shelter facilities, such as WIFI and digital screens, at prominent locations in Manor Royal at Crawley bus station and at Three Bridges and Gatwick railway stations, so to boost bus patronage and increase volumes of sustainable commuting.

8. Financial Implication

- 8.1. These proposals require no direct additional financial revenue or capital funding commitment from Crawley Borough Council.
- 8.2. S106 resources proposed to be allocated to the Crawley Growth Programme through this report are already secured from site developers through the planning process.

9. Legal Implications

- 9.1. Crawley Borough Council has signed a partnership agreement with West Sussex County Council, which confirms the Crawley Growth programme governance, budget and delivery arrangements and the responsibilities of each authority for management of the programme.
- 9.2. The Coast to Capital Local Enterprise Partnership has drawn up a programme delivery contract for the Crawley Growth Programme, which it has signed off with West Sussex County Council, as lead delivery body. The County Council has in turn sought to confirm the participation and commitment of Crawley Borough Council to delivery of the Growth programme through a partnership agreement, as described above.

10. Background Information

Report to Cabinet 4 October 2017 - [Proposed Crawley Growth Programme 2017-21 \(PES/259\)](#)

Report to Cabinet 29 November 2017 - [Town Centre Signage & Wayfinding \(PES/252\)](#)

Report to Cabinet 27 March 2017 - [Town Centre Regeneration Programme \(Phase 2\) Queensway & The Pavement \(PES/230\)](#)

Report to Cabinet 21 March 2018 - [Three Bridges Station Improvement Scheme \(PES/280\)](#)

Report author and contact officer:

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Crawley Borough Council

**Report to Cabinet
27 June 2018**

Financial Outturn 2017/2018

Budget Monitoring - Quarter 4

Report of the Head of Finance, Revenues & Benefits - **FIN/443**

1. Purpose

- 1.1 The report sets out a summary of the Council's outturn for the year for both revenue and capital spending for the financial year 2017/2018. It identifies the main variations from the approved spending levels and any potential impact on future budgets.

At Quarter 3 there was a projected transfer to reserves of £796,000, the actual transfer to reserves was £923,482, this will be used to fund future investments in the capital programme.

At Quarter 3 there was a projected surplus on the Housing Revenue Account of £266,000, the actual additional transfer for investment in the maintenance and building of future housing was £810,000.

With regards to capital spending, £29.454m was spent in the year, this included £13.3m on new housing development. The revised budget is £30.252m.

2. Recommendations

- 2.1 The Cabinet is recommended to:

- a) **Note the outturn for the year 2017/2018 as summarised in this report.**
- b) **Note that the Memorial Gardens play improvement scheme will be funded from S106 schemes as outlined in paragraph 8.10.**
- c) **Note the Crawley Growth Programme elsewhere on this agenda will impact upon the capital programme.**

Cabinet request that Full Council

- d) **Agree a supplementary capital estimate of £250,000 to the College car park site for additional units and for a sprinkler system as outlined in paragraph 8.7 of this report. 30% of this to be funded from 1-4-1 receipts.**

3. Reasons for the Recommendations

To report to Members on the outturn for the year compared to the approved budget for 2017/2018.

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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 regular 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 Councillors' Information Bulletin.
- 4.3 This report outlines the final outturn for 2017/2018.

5. Budget Monitoring Variations

5.1 General Fund

The table below summarises the projected variances in the relevant Portfolio.

[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 4 £'000		Variance at Quarter 3 £'000
Cabinet	(41)	F	5
Public Protection & Community Engagement Resources	(11)	F	20
Housing	83	U	81
Environmental Services & Sustainability	(722)	F	(690)
Wellbeing	(197)	F	(69)
Planning & Economic Development	3	U	(60)
Investment Interest	167	U	128
Other year end financing	(199)	F	(203)
New Homes Bonus	2	U	
	(8)	F	(8)
TOTAL SURPLUS	(923)	F	(796)

In addition there is £56,740 was transferred to the reserve for for investment in Tilgate Park and Nature Centre as part of the five year plan, the projected surplus at Quarter 3 was £76,000, however the investment in the America's zone was more than anticipated.

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The balance of the Capital programme reserve is shown in the Table below.

Capital Programme Reserve	£000's
Opening balance	5,264
Transfer in year	923
Closing balance	6,187

5.2 Significant variances variations over £20,000

5.2.1 Cabinet

There are no significant variations to report this quarter.

5.2.2 Public Protection & Community Engagement

There was an underspend of £25,000 in respect of Grants to voluntary organisations. A provision was made for a payment in the financial year 2016/17 which was later not required and returned to the accounts in 2018/19.

5.2.3 Resources

Within the ICT section there are various variances including -

ICT – General staffing overspend £45,839

A restructure that was designed to improve the customer focus of the IT service had an extended consultation process which delayed the implementation of improved staffing arrangements. This was compounded by a number of key members of the team leaving. The market rate for skilled IT staff is higher than Council pay rates and it has been very difficult to fill these posts. The high level of demand for the team has meant that additional consultancy support has been required at much higher cost to maintain business as usual on critical council systems.

Data Centre - £100,753 overspent compared to £47,000 projected at Quarter 3

There have been delays in completing the move to the data centre at Surrey Business Centre. This has been caused by continual failures by our telecoms provider which has led to a contractual dispute and the need to consider alternative resource. This has taken several months to achieve and the transfer of some of the more complex systems has been delayed as a result. In addition to this issue, the loss of key members of the infrastructure team has led to significant delays. Steps have been taken to address this shortfall in staff resources but the use of external consultancy staff is more expensive.

Legal and Democratic Services projected an overspend of £32,000 at Quarter 3; at year end there was an underspend of £7,000, this was made up of several items including underspends within Member services including training. Other underspends included the mayor's car, some of these budgets were reduced as part of budget setting for the new financial year so the underspend will not be ongoing.

Print Services – due to the switch to Whistle from second class post there was an underspend on mail and courier services. There was also an underspend on equipment due to the review of the service, some of these savings have been factored into future budgets, however a reviewed based on these outturn figures will be undertaken.

5.2.4 Environmental Services & Sustainability Services

There is additional income from recycling of materials of £60,000. The budget has not been amended for the current and future years because of the uncertainty around recycling income.

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Vacant posts and renegotiated contract for mobile phones resulted in underspends within the admin team.

5.2.5 Housing Services

There are more overpaid housing benefit claims being identified through HMRC data matching, this is where income has not been disclosed to the benefits team. This is an initiative which matches data from several sources such as pay and pension income. A provision for these overpayments has been built into future financial projections, there were fewer referrals in the final quarter; this resulted in lower income than projected, this is linked to the item below on Homelessness.

Homelessness –

The homelessness service underspent by £306,000 compared to £208,000 projected at Quarter 3, a result of the amendments to the Allocations Policy as agreed by Council and implemented in November to assist with the prevention of homelessness and moving applicants through temporary accommodation (TA) more efficiently. This followed on from the temporary policy giving additional priority to homeless applicants in Temporary Accommodation to facilitate the throughput as it had become stagnant and was impacting on the numbers in nightly paid. It is also as an ongoing drive by all staff to prevent and discharge homelessness where possible whilst still meeting our legal duties to accommodate.

There has been up to 18 households in nightly paid during the last quarter of 2017/18.

The SWEP (severe weather emergency protocol) accommodation was utilised during the final quarter. However these costs were largely covered by housing benefits rather than the homelessness service. Certain types of benefit payments are only receive 40% subsidy back from the Government, this includes these duties.

A review of how homelessness and benefits interact will be taken over the summer months along with SWEP provision for next year.

5.2.6 Wellbeing

Tilgate Park & Nature Centre was projecting additional income of £76,000 at quarter three. The actual surplus of £56,740 was transferred to a reserve for reinvestment in the park at the end of each financial year as part of the five year Tilgate Park investment plan.

At Quarter 3 there was a projected underspend within the Community Arts section, this underspent was not achieved due to expenditure required at Tilgate Barn including disabled toilet provision.

As part of the patch working roll out, additional equipment has been purchased including additional bins and equipment for the patch working operatives.

5.2.7 Planning & Economic Development

Commercial property lease renewals which are not agreed with tenants are being progressed through the courts, also an increase in the length of time before vacant properties are let has resulted in a further shortfall of commercial property income compared to Quarter 3.

6. Virements

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

There were no virements in the period.

7. Council Housing Service – Revenue

7.1 The table below provides details of the 2017/2018 HRA variances.

HOUSING REVENUE ACCOUNT

	Q4 Variation £000's		Q3 Variation £000's
Income			
Rental Income	(286)	F	(118)
Other Income	129	U	149
Interest Received on balances	(47)	F	(45)
	(204)	F	(14)
Expenditure			
Employees	60	U	84
Repairs & Maintenance	(577)	F	(343)
Other running costs	(88)	U	6
Support services	0	-	0
	(605)	F	(252)
Net (Surplus) / Deficit	(810)	F	(266)
Available to fund future investment in housing	810		266

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

- 7.2 Rental income - More properties have been let at target rent in the last quarter, there was additional garage rental income due to improved turn-around times.
- 7.3 Other income - Income in respect of major works for leasehold service charge properties was less than budgeted, improved forecasts are now in place for future years.
Additional investment interest has been received as a result of the increase in interest rates and the delay in the capital programme (see below)
Income was also received in respect of insurance claims for fire damage.
- 7.4 Repairs and Premises costs - There were general underspends on the responsive repairs contracts, in previous years there have been significant costs in the final quarter for works related to the weather such as fencing and emergency roofing, although the winter was bad there were not the high winds that have been seen in past years and as a result there was less expenditure for these emergency works, this underspend was in excess of £250,000. Any underspend is transferred to the housing major repairs reserve for future investment in current and new Crawley homes.

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- 7.4 Other running costs – High collection rates of Crawley Homes the transfer to the provision for bad debts was less than required. This will be reviewed over the coming years with the introduction of Universal Credit, as tenants who are on housing benefit get their rent liability reduced if they are entitled to housing benefits. Under Universal Credit the tenant will be paid this sum directly in order to pay their rent.

8. Capital

- 8.1 The table below shows the 2017/18 projected capital outturn and proposed carry forward into 2018/19. Further details on the Capital Programme are provided in Appendix 2 to this report.

	Original Budget 2017/18	Revised Budget 2017/18	Outturn 2017/18	Under/ (overspend)	Re-profiled to/(from) future years
Cabinet	£000's 3,149	£000's 2,285	£000's 1,979	£000's (1)	£000's 307
Resources	237	227	217	(3)	13
Environmental Services & Sustainability	2,036	1,137	898	2	238
Planning & Economic Development *	5,000	257	257	0	0
Public Protection & Community Engagement	50	95	95	0	0
Housing Services	880	717	735	0	(18)
Wellbeing	2,547	2,061	1,898	1	162
Total General Fund	13,890	6,780	6,079	(1)	702
Council Housing	37,468	23,472	23,375	10	87
Total Capital	51,368	30,252	29,454	9	790

* The original budget for Planning and Economic Development included £5m for investment properties, this sum is now ringfenced for the Town Hall project.

8.2 Town Centre projects–

Queens Square:

The restoration and relocation of the bandstand in Memorial Gardens was delayed beyond the end of the financial year but is now well advanced. Spend on this element of the project slipped £24,500

The new street cleaning equipment purchased for the square cost less than anticipated. £11,500 remains unspent in this budget area.

A digital display sign expected to be purchased in 2017/18 was delayed due to an unforeseen extension in the design and planning process. This has now been resolved and approximately £35,000 will be spent in 2018/19.

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Queensway:

Delays in the planning process resulted in slippage, the scheme is out to tender.

Signage & Wayfinding:

The £180,000 was expected to be spent in Q3 2017/18 but was delayed due to additional unforeseen stakeholder consultation on designs which took place over January. An order was placed in early February 2018 with a six week manufacturing lead in time.

- 8.4 Due to delays in manufacturers lead in times there is slippage of £53,500 in respect of purchase of vehicles.
- 8.5 Tilgate Nature Centre has slippage is due to incomplete footpath works programme following delays in March due to the weather and also the Lake Erosion works being put on hold for a time through winter primarily due to lake water level.
- 8.6 HRA improvements – additional works on boilers, kitchens and bathrooms were undertaken in Quarter 4, the overall budget for programme repairs was reduced at Quarter 3. The budget for 2018/19 will be revised over the coming weeks.
- 8.7 Other Housing -

Purchase of properties

The budget is underspent as fewer opportunities for value for money purchases.

College Car park site

In order to maximise the number of units to this scheme to 98 and to provide a sprinkler system to the apartments; a supplementary estimate of £250,000 is requested. This will be funded from 30% 1-4-1 receipts (£75,000) and £175,000 from Crawley Homes reserves (HRA).

83-87 Three Bridges Rd

Demolition of the existing properties has progressed slower than the contractor originally forecast as a result of delays by the statutory undertaker in completing the disconnection of the utility supplies. As a result of this delay the anticipated expenditure for Quarter 4 did not fully materialise and therefore has been slipped back to 2018/19.

Dobbins slippage 120.5k

Due to contract negotiations the project was delayed one month and started in April.

Forge Wood Phases 2 & 3 Progress on the construction works relative to the Phase 2D affordable rent units have been slower than originally forecast by the contractor. As a result of this delay the anticipated expenditure for Quarter 4 did not fully materialise and therefore has been slipped back to 2018/19.

- 8.8 In the fourth quarter of 2017/2018 five Council Houses with a sale value of £823,400 were sold, compared to eleven in the fourth quarter last year. Of these receipts £258,198 was paid over to the Government with the balance being retained by the Council with £206,527 available for general capital investment and £358,675 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.]

The total number of properties sold in 2017/2018 was 52.

- 8.9 The total cumulative 1-4-1 receipts retained is £26,004,520 which can be used to fund 30% of any expenditure on new affordable housing. It cannot be used on schemes supported by HCA Funding or for shared ownership/equity schemes.

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- 8.10 Within the Wellbeing Portfolio there is a budget of £170,000 for Memorial Gardens Play Improvements, this is in future years budgets. The play area at Memorial Gardens is popular with both residents and visitors to the town and is the only free-to-access play area within the town centre. With the redevelopment of much of the town centre, including Queensway and improvements to the accessibility of Memorial Gardens, there is an opportunity to improve the play area alongside these works. This is to be funded using the following S106 contributions.

Ref	SITE NAME	Value
CR/2005/0714/FUL & CR/2010/0073/NCC	CRAWLEY LEISURE CENTRE SITE, HASLETT AVENUE, THREE BRIDGES, CRAWLEY	£ 125,785.19
CR/2005/0714/FUL & CR/2010/0073/NCC	CRAWLEY LEISURE CENTRE SITE, HASLETT AVENUE, THREE BRIDGES, CRAWLEY	£ 39,063.35
CR/2010/0167/FUL	18 COBBLES CRESCENT, NORTHGATE, CRAWLEY	£ 1,089.00
CR/2011/0651/FUL	2 HOLLYBUSH ROAD, NORTHGATE, CRAWLEY	£ 1,410.46
CR/2013/0562/FUL	19-21 QUEENSWAY, NORTHGATE, CRAWLEY	£ 2,652.00

£ 170,000.00

10. Background Papers

2017/18 Budget and Council Tax FIN/401
Treasury Management Strategy 2017/18 FIN/404

Cabinet Reports 6th September 2017

- Budget Strategy 2018/19 – 2022/23 FIN/417

2017/2018 Budget Monitoring – Quarter 2 FIN/427

2017/2018 Budget Monitoring - Quarter 3 FIN/431

Contact Officer: - Karen Hayes, Head of Finance, Revenues and Benefits.
Direct Line: - 01293 438263.

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Appendix 1(i)

REVENUE MONITORING SUMMARY 2017/18 GENERAL FUND

	Original Budget £000's	Latest Budget £000's	Outturn £000's	Variance £000's	
Cabinet	1,435	1,475	1,434	(41)	F
Public Protection & Community Engagement	1,595	1,665	1,654	(11)	F
Resources	1,129	1,203	1,286	83	U
Environmental Services & Sustainability	5,917	7,722	7,525	(197)	F
Housing	3,131	3,267	2,545	(722)	F
Wellbeing	7,098	9,320	9,323	3	U
Planning & Economic Development	(2,561)	(1,475)	(1,308)	167	U
Total Portfolio Variances	17,744	23,177	22,459	(718)	F
Depreciation & capital financing	(3,425)	(10,444)	(10,444)	0	
Renewals Fund	400	255	255	0	
Investment Interest	(645)	(707)	(906)	(199)	F
New Homes Bonus	(1,432)	(1,432)	(1,440)	(8)	F
Business rates (below) **			2	2	
Transfer to Capital programme reserve	0	0	923	923	
Sub Total	12,643	10,848	10,848	0	

In addition there was a transfer to the Tilgate Park reserve of £56,740				
Transfer to the Capital programme reserves was £923,482				
Council Tax and Business Rates				
Council Tax	(6,624)	(6,624)	(6,624)	(0)
RSG	(1,036)	(1,036)	(1,036)	0
NNDR	(4,983)	(3,188)	(3,186)	**2
Sub Total	(12,643)	(10,848)	(10,846)	(0)

Impact of Business Rates (transfer from equalisation reserve)*	2,147	2,147	1,794	(353)	F
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* due to lower levy and Section 31 grants higher than budgeted

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Main Variations identified for 2017/18 - General Fund

Appendix 1 (ii)

	Q4 Variation £000's	Q3 Variation £000's	
<u>Cabinet</u>			
Corporate Policy - vacant post	(29)	(32)	one-off
Minor variations – various small variations across portfolio	(12)	37	
	(41)	5	
<u>Public Protection & Community Engagement</u>			
Grants to voluntary Organisations – previous year adjustment	(25)		one-off
Minor variations (community development and NASB)	14	20	
	(11)	20	
<u>Resources</u>			
IT Business – various – see above	156	58	one-off
HR - vacancies	(27)	(29)	one-off
Legal & Democratic Services - various	(70)	(14)	one-off
Print Services – vacant posts	(62)	(14)	one-off
Contact centre – no vacancies	44	38	one-off
Town Hall – decant running costs	38	38	one-off
Minor variations – various areas	4	4	
	83	81	
<u>Environmental Services & Sustainability</u>			
Community Warden – standby and vacant hours	(18)	(16)	Budget reduced
Gatwick - Imported food disposal charges	(30)	(30)	Budget reduced
Environment unit – survey costs	12	12	one-off
Increased recycling income	(44)	(44)	one-off
Additional income from recycling of material	(60)	-	one-off
Additional car parking income	(19)	-	one-off
Patch working – agency – additional bins and equipment	29	27	one-off
Admin vacancies and mobile phone refund	(32)	(4)	one-off
Minor variations including additional income and vacancies in several areas	(35)	(14)	
	(197)	(69)	
<u>Housing</u>			
Benefits Administration – vacant posts	(72)	(61)	one-off
Increased benefit overpayments recovered – included in the budget strategy	(320)	(464)	ongoing
Temporary accommodation – reduced numbers in nightly paid accommodation (not included in budget strategy because of new Homelessness Reduction Act requirement)	(306)	(208)	Being reviewed
Minor variations – various areas	(24)	43	
	(722)	(690)	

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	Q4 Variation £000's	Q3 Variation £000's	
<u>Wellbeing</u>			
Community Arts – vacant post (underspend spent at Tilgate park disabled toilets)	0	(20)	one-off
Street scene – vacant posts which are being filled /offset by costs of equipment and minor works	0	(43)	one-off
Minor variations - various	3	3	
	3	(60)	
<u>Planning & Economic Development</u>			
Commercial property – reduced income projected	167	133	Ongoing/ budget amended
Minor variations – various	0	(5)	
	167	128	
TOTAL GENERAL FUND VARIANCES	(776)	(585)	
Investment interest above budget	(199)	(203)	Ongoing/ updated strategy
Year end financing – Business rates minor variation	2		
New Homes Bonus	(8)	(8)	
TRANSFER TO GENERAL FUND RESERVE	(923)	(796)	

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Appendix 1 (iii)

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate	Projected Outturn	Variation
	£'000s	£'000s	£'000s
Income			
Rental Income	(44,951)	(45,237)	(286)
Other Income	(1,762)	(1,633)	129
Interest received on balances	(79)	(126)	(47)
Total income	(46,972)	(46,996)	(204)
Expenditure			
Employees	3,416	3,476	60
Repairs & Maintenance	10,883	10,305	(577)
Other running costs	2,212	2,124	(88)
Support services	2,650	2,650	0
	19,161	18,555	(605)
Net (Surplus) / Deficit	(27,631)	(28,441)	(810)
Use of Reserves:			
Debt Interest Payments	8,309	8,309	0
Depreciation, Revaluation & Impairment	6,140	6,140	0
Financing of Capital Programme & Transfer to Housing Reserve for future investment	13,183	13,992	810
Total	27,631	28,441	810

Main Variations Identified - Housing Revenue Account

	Q4 Variation £'000s	Q3 Variation £'000s
Income		
<u>Rental Income</u>		
Dwellings rental income - Voids re-let at target rent	(210)	(70)
83, 85 & 87 Three Bridges Road Hostel rental income - delay in decant	(53)	(55)
Garage Income – Quicker void turnaround times	(30)	
Shared Owners shortfall due to 3 buy backs	7	7
<u>Other Income</u>		
Income recovered for Fire & Insurance Claims	(59)	(29)
83, 85 & 87 Three Bridges Road Hostel service charge - delay in decant	(7)	(11)
Increased Lifeline Income due to an increase in Customers	(11)	(12)
Less than anticipated major works for leasehold service charges – resulting in fewer fees recoverable	206	201
Higher interest rates	(47)	(45)
	(204)	(14)
Employees		
Leasehold Services Post part year vacancy	(33)	(25)
Repairs Team - Maternity leave	(25)	(22)
Programmed Works Team - Vacant post/unfilled hours	(22)	(24)
Sheltered Management Restructure - Including Temporary worker for the rest of the year	56	56
Vacancy Provision not met within services due to fewer vacant posts	57	58
Minor Variations	27	41
	60	84
Repairs & Premises Costs		
Cyclical Maintenance savings due to systems thinking review	(326)	(330)
Responsive repairs – reduced demand than expected during winter	(255)	-
Minor Variations	4	(13)
	(577)	(343)
Other Running Costs		
Leasehold Premises Insurance Premium - following a tender, the premium rate was reduced significantly	(54)	(54)
Council Tax due to continuous extensive voids work	9	15
Housing Management - Document Archiving	51	52
Reduction in the provision for bad debts	(52)	
Minor Variations – various small budgets	(43)	(6)
	(88)	6
TOTAL VARIANCES	(810)	(266)

CAPTIAL PROGRAMME FOR THE FINANCIAL YEAR 2017/2018

APPENDIX 2

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
Crawley Growth Programme	970,000							2,620,000	
Queens Square Env Imp	1,899,000	1,531,100	1,459,434	71,666		71,666	128,366		
Queensway	30,000	131,000	60,864	70,136		70,136	643,379	1,286,758	
Town Centre Signage		180,000	3,183	176,817		176,817	176,817		
Town Centre General		11,000	11,000						71,100
High Street Safety Improvements		30,000	19,724	10,276		10,276	10,276		
Solar Pv CBC Operational Bldgs.	250,000		23,780	(23,780)		(23,780)	126,220		
New Town Hall - initial drawdown as per budget report							2,000,000		
Town Hall - Programmed Maintenance		301,900	302,785	(885)	(885)				
Town Hall - Professional Fees		100,000	98,049	1,951		1,951	1,951		
TOTAL CABINET PORTFOLIO	3,149,000	2,285,000	1,978,820	306,180	(885)	307,065	3,087,008	3,906,758	71,100

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
ICT Capital - Future Projects	177,400						310,400		
On Line Self Service		110,200	113,280	(3,080)	(3,080)				
Enterprise Content Migration	60,000	671	671				115,529		
Relocation Of Data Centre		11,580	2,550	9,030		9,030	9,030		
Mobile Working (ICT)		30,000	29,961	39	39		80,000		
ICT Replacements		4,200		4,200		4,200	4,200		
Navmap Replacement		15,767	15,767						
Q - Matic		16,143	16,143						
Modern Gov		21,500	21,500						
Online Planning		17,325	17,325						
TOTAL RESOURCES PORTFOLIO	237,400	227,386	217,197	10,189	(3,041)	13,230	519,159		

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
New Cemetery	597,000	370,569	369,836	733		733	71,964		
Cycling Signage Infrastructure		439	439						
K2 Crawley Heat Network (Heat & Power)	400,000	4,530	5,388	(858)		(858)	360,000	260,112	
Shrub Bed Removal 2018							62,000		
Cycle Paths							25,300		
High St Sussex House Cycle Path		2,000	255	1,745	1,745				
A2 Crawlers-Brook Cycle Path		105,861	48,263	57,598		57,598	57,598		
Orchard Street Car Park							135,000	190,000	
Heat Network	25,000	80,000	80,074	(74)	(74)		173,983	1,000,000	
Ifield Drive	2,000	372	372	0			5,920		
Camber Close	67,000	64,800	34,518	30,282		30,282	30,282		
Lavant Close	72,000	85,900	51,575	34,325		34,325	34,325		
Fisher Close	46,000	46,000	26,254	19,746		19,746	19,746		
Scallows Close	57,000	83,000	49,806	33,194		33,194	33,194		
Flooding Emergency Works	20,000	30,000	18,345	11,655		11,655	3,105		
Ifield Mill Pond Improvements		41,300	49,851	(8,551)		(8,551)			
Tilgate (EA Flood Alleviation)									

Grattons Park Pound Hill Flood Works		11,417	11,417	(0)					
Creaseys Drive Broadfield Flood Works	111,600	20,904	12,623	8,281		8,281	52,477		
Cheals Broadfield Pond		45,000	48,545	(3,545)		(3,545)	1,455		
Titmus Lake Tilgate & Furnace Green	27,000						42,000		
Stafford Bridge Ifield Green	80,000								78,900
Waterlea Furnace Green Flood Wks.	50,000	65,990	22,788	43,202		43,202	102,112		
Billington Drive Maidenbower	28,000						28,000		
Balcombe Road Pound Hill Flood Wks.	30,000						34,700		
Broadfield Brook Flood Works	113,000						115,000		
River Mole Flood Works	30,000						30,000		
Telemetry Measuring Equipment	30,000	30,000	25,535	4,465		4,465	4,465		
Northgate Add Flood Atten Wrk	42,000								42,000
Crabbett Park Pound Hill Flood Wks.	33,000								33,000
Crawters Brook Flood Works	100,000								100,000
Leat Stream Ifield Flood Alleviation	39,000	49,200	41,911	7,289		7,289	7,289		
Park Close Maidenbower Flood Works	36,000								
TOTAL ENVIRONMENT PORTFOLIO	2,035,600	1,137,282	897,795	239,487	1,670	237,816	1,429,914	1,719,112	78,900

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
Community Safety Initiatives	50,000	95,000	95,000						
TOTAL PUBLIC PROTECTION & COMMUNITY ENGAGEMENT PORTFOLIO	50,000	95,000	95,000						

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
Housing Enabling	20,000							1,220,000	
Future Schemes									
Temp Accommodation Acquisitions	273,700							273,700	
Affordable Housing - Town Hall (up to)							5,000,000		10,500,000
Open House Moving Accommodation			3,645	(3,645)		(3,645)	941,355	15,000	
Disabled Facilities Grants	536,600	665,943	684,754	(18,811)		(18,811)	1,255,125		
Home Insulation Grants		1,082	1,082	0					
Improvement/Repair Loans	50,000	50,000	45,366	4,634		4,634	54,634	54,700	
TOTAL HOUSING (GENRAL FUND) PORTFOLIO	880,300	717,025	734,846	(17,821)		(17,822)	7,251,114	1,563,400	10,500,000

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
Investment Property Acquisitions	5,000,000	168,000	168,000					5,000,000	
Manor Royal Business Group								200,000	
Three Bridges Station		89,350	89,350	0	0		304,409	1,500,000	
TOTAL PLANNING & ECONOMIC DEVELOPMENT PORTFOLIO	5,000,000	257,350	257,350	0		0	304,409	6,700,000	

Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21
Vehicle Replacement Programme		170,457	116,957	53,500		53,500	148,543		
Travellers Prevention Measures	15,000							15,000	
Worth Park (M/Mt Gdns) Phase 2			(1,707)	1,707	1,707				
Broadfield Barton -Play Refurb	56,500	52,500	52,500						

Refurb Playgrounds Future Schemes									39,600	
Skate Park Equipment	46,000								46,000	
Memorial Gardens Improvement	36,900								36,900	
New Museum Tree (HLF)	250,000	288,300	273,931	14,369		14,369	514,369			
Ifield Community Facilities	22,800									
K2 Crawley Poolside Timing Equipment	85,200	95,207	95,207							
K2 Crawley Poolside Sauna & Steam Room	40,000	40,000	40,465	(465)	(465)					
Broadfield Stadium Gas Water Replace	45,000	45,000	44,569	431	431					
Worth Park Discovery Trail	40,000									40,000
Pm-Mbower Cc Toilet Refurb		10,549	10,549							
Wakehams Play Refurbishment	65,000						65,000			
West Green Play Refurbishment							5,000			
K2 Crawley Replace Artificial Turf							185,000			
K2 Crawley Expansion Of Fitness Area	916,000	939,078	932,730	6,348		6,348	6,348			
Tilgate Park & Nature Centre	130,000	139,500	99,812	39,688		39,688	70,000		99,688	
Nature Ctre Wildlife Centre	150,000	180,300	180,969	(669)		(669)	60,000		104,331	
Tilgate Park & Nature centre Sustainable Heat	249,000	25,000		25,000		25,000	249,000			
Ditchling Hill Play Refurbishment							65,000			
Ewhurst Road Play Refurbishment							65,000			
Gainsborough Road Play Refurbishment							65,000			
Kilmead Close Play Refurbishment		13,000	13,362	(362)	(362)					
Three Bridges Play Area							61,500			
Tilgate Park Access Road		34,000	22,755	11,245		11,245	11,245			
Vehicle Workshop Heat Plant Repairs							19,000			
Tilgate Pk Pedestrian Crossing		8,000	7,992	8	8					
Adventure Playgrounds	400,000									400,000
Memorial Gardens Play Improvements							30,000		140,000	
K2 Crawley Additional Parking		20,178	8,334	11,844		11,844	161,844			
K2 Climbing Wall							180,000			
Hawth Repair Light/Sound Desk							31,000		28,000	
TOTAL WELLBEING PORTFOLIO	2,547,400	2,061,069	1,898,424	162,645	1,319	161,326	1,992,850	909,519	40,000	
TOTAL GENERAL FUND	13,899,700	6,780,112	6,079,432	700,680	(937)	701,616	14,584,454	14,798,789	10,690,000	
Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21	
TOTAL HRA IMPROVEMENTS	11,400,000	10,105,064	10,095,411	9,653	9,653		10,944,000	9,030,000		
Scheme Description	Original Budget 2017/18	Latest Budget 2017/18	Spend to Date	Variance	Under/(Over Spend)	Slippage	Budget 2018/19	Budget 2019/20	Budget 2020/21	
151 London Road (New Build)	250,000						250,000			
College C/Pk - Affordable Hsg		2,940,000	2,960,899	(20,899)		(20,899)	10,239,101	9,000,000		
Acquisitions Buy Back Of Dwgs		320,000	730,600	(410,600)		(410,600)	589,400	680,000	2,000,000	
Purchase Of Properties	2,000,000									
Kilmead - Hra	3,627,800	199,067	179,663	19,404		19,404	3,000,000	2,402,637		
Gales Place (Hra New Build)		30,000	4,460	25,540		25,540	25,540			
Forge Wood (Hra Development)	6,809,300	69,150		69,150		69,150	1,938,340	684,030		
Apex Appartments	2,667,000	4,708,084	4,708,084	(0)		(0)	2,850,916			
Telford Place Development	570,000	38,536	27,923	10,613		10,613	100,000	5,547,103	6,266,174	
Woolborough Road Northgate	1,143,000	30,000	29,190	810		810	886,427	886,427		

Goffs Park -Depot Site - Hra	4,000,000	511,979	478,071	33,908		33,908	5,228,933	1,435,996	
83-87 Three Bridges Road - Hra	2,399,000	223,212	127,210	96,002		96,002	2,346,640	103,150	
Dobbins Place -Hra	1,157,300	186,994	66,477	120,517		120,517	1,404,341	225,182	
Barnfield Road- Hra	850,000	395,000	458,726	(63,726)		(63,726)	291,274		
Forge Wood Phase 2		1,759,821	1,551,106	208,715		208,715	1,371,175	7,064,300	
257/259 lfield Road	500,000	30,000	32,226	(2,226)		(2,226)	650,000	587,774	
Forge Wood Phase 3		1,924,984	1,924,984				1,586,080	3,168,250	
Prelims	95,000						100,000	200,000	200,000
TOTAL OTHER HRA	26,068,400	13,366,827	13,279,617	87,210		87,210	32,858,168	31,984,849	8,466,174
TOTAL HRA	37,468,400	23,471,891	23,375,028	96,862	9,653	87,210	43,802,168	41,014,849	8,466,174
TOTAL CAPITAL PROGRAMME	51,368,100	30,252,003	29,454,460	797,542	8,716	788,826	58,386,623	55,813,638	19,156,174

FUNDED BY

Capital Receipts	12,549,900	6,269,596	3,879,050	2,390,545	(2,327)	2,392,872	7,936,281	12,315,589	2,690,000
Capital Reserve		25,000		25,000		25,000	25,000		
Disabled Facilities Grant	378,000	665,943	684,754	(18,811)		(18,811)	1,255,125		
Lottery & External Funding	854,200	589,928	832,660	(242,732)		(242,732)	295,000	926,200	
MRR	32,251,000	18,373,861	20,258,438	(1,884,577)	9,653	(1,894,230)	34,761,371	31,714,339	6,586,322
Replacement Fund/Revenue Financing	23,000	191,124	228,985	(37,861)		(37,861)	304,543	123,000	
Section 106	95,000	378,931	453,983	(75,052)	1,391	(76,443)	768,507	234,000	
1-4-1 Receipts	5,217,000	3,757,620	3,116,590	641,030		641,030	13,040,796	10,500,510	9,879,852
TOTAL FUNDING	51,368,100	30,252,003	29,454,460	797,542	8,716	788,826	58,386,623	55,813,638	19,156,174

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Notes

- 1) Lead Officers to be appointed to each Working Group
- 2) Administration to be undertaken by service department.

Working Groups	Terms of Reference	Group Nominations 2018/19												
Budget Advisory Group (BAG)	<p>To advise the Cabinet on the allocation of resources within the General Fund and Capital Programme (including the community infrastructure levy – CIL), taking account of the Budget Strategy, Corporate Plan and other relevant information.</p> <p>Chair and Vice Chair of the Cabinet to attend Budget Advisory Group, to present a strategic perspective only.</p> <p><i>Lead Officer:- Head of Finance, Revenues and Benefits</i></p>	<p><u>Councillors (currently 9 Members = 5:4)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">C Cheshire</td> <td style="width: 50%;">R G Burgess</td> </tr> <tr> <td>T Lunnon</td> <td>R D Burrett</td> </tr> <tr> <td>B Quinn (Chair)</td> <td>D Peck</td> </tr> <tr> <td>R Sharma</td> <td>A Pendlington</td> </tr> <tr> <td>L Willcock</td> <td></td> </tr> </table>	C Cheshire	R G Burgess	T Lunnon	R D Burrett	B Quinn (Chair)	D Peck	R Sharma	A Pendlington	L Willcock			
C Cheshire	R G Burgess													
T Lunnon	R D Burrett													
B Quinn (Chair)	D Peck													
R Sharma	A Pendlington													
L Willcock														
Local Plan Working Group (LPWG)	<p>To consider and provide guidance on the process for reviewing the Local Plan and support the Local Plan Review to examination, if/when this is progressed.</p> <p><i>Lead Officer:- Head of Strategic Housing and Planning Services</i></p>	<p><u>Councillors (currently 13 Members = 7:6)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Labour nominations to be provided when Working Group meeting is required (anticipated autumn 2018)</td> <td style="width: 50%;">N J Boxall</td> </tr> <tr> <td></td> <td>D Crow</td> </tr> <tr> <td></td> <td>K Jaggard</td> </tr> <tr> <td></td> <td>R A Lanzer</td> </tr> <tr> <td></td> <td>K McCarthy</td> </tr> <tr> <td></td> <td>M A Stone</td> </tr> </table>	Labour nominations to be provided when Working Group meeting is required (anticipated autumn 2018)	N J Boxall		D Crow		K Jaggard		R A Lanzer		K McCarthy		M A Stone
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Working Groups	Terms of Reference	Group Nominations 2018/19		
<p>Economic Regeneration Working Group (ERWG)</p>	<ol style="list-style-type: none"> 1. 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. 2. To receive and consider reports on economic regeneration activities in Crawley and to make recommendations, as necessary, to the Cabinet on the:- <ul style="list-style-type: none"> • 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. <p><i>Lead Officer:- Head of Economic & Environmental Services</i></p>	<p><u>Councillors (currently 11 Members = 6:5)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> M Ayling C Cheshire B Quinn P Smith (Chair) G Thomas L Willcock </td> <td style="width: 50%; vertical-align: top;"> D Crow F Guidera R A Lanzer K McCarthy M A Stone </td> </tr> </table>	M Ayling C Cheshire B Quinn P Smith (Chair) G Thomas L Willcock	D Crow F Guidera R A Lanzer K McCarthy M A Stone
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Working Groups	Terms of Reference	Group Nominations 2018/19								
Member Development Executive Support Group (MDESG)	<ol style="list-style-type: none"> 1. To provide all party support for a coordinated approach to Member development and training across the Council. 2. To identify individual and Group training needs and to prioritise them accordingly. 3. To develop, monitor and evaluate all member development activities. 4. To promote learning and development opportunities amongst all members of the Council encouraging the highest level of participation by members to organised training and development events. 5. To ensure that a comprehensive induction programme is made available to all newly elected Councillors. <p><i>Lead Officer:- Head of Legal & Democratic Services</i></p>	<p><u>Councillors (currently 5 Members = 3:2)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">I Irvine</td> <td style="width: 50%;">D Crow</td> </tr> <tr> <td>M Pickett</td> <td>K McCarthy</td> </tr> <tr> <td>A Skudder (Chair)</td> <td></td> </tr> </table>	I Irvine	D Crow	M Pickett	K McCarthy	A Skudder (Chair)			
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M Pickett	K McCarthy									
A Skudder (Chair)										
Town Hall Project Members Working Group (THPMWG)	<p>Focus on the Town Hall element of the proposed development and within this primarily, although not exclusively, the requirements for members' facilities and the civic areas of the new building.</p> <p><i>Co-Lead Officers:- Head of People and Technology and Head of Partnership Services</i></p>	<p><u>Councillors (currently 7 Members = 4:3)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">C Mullins</td> <td style="width: 50%;">T G Belben</td> </tr> <tr> <td>B Quinn</td> <td>K McCarthy</td> </tr> <tr> <td>A Skudder (Chair)</td> <td>M Stone</td> </tr> <tr> <td>B Smith</td> <td></td> </tr> </table>	C Mullins	T G Belben	B Quinn	K McCarthy	A Skudder (Chair)	M Stone	B Smith	
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Agenda Item 14

By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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