

## Crawley Borough Council

### Overview and Scrutiny Commission

Agenda for the **Overview and Scrutiny Commission** which will be held in **Committee Rooms A & B - Town Hall**, on **Monday, 4 July 2022** at **7.00 pm**

Nightline Telephone No. 07881 500 227



**Chief Executive**

**Membership:**

Councillors

T G Belben (Chair), K Khan (Vice-Chair), M L Ayling, H Hellier, I T Irvine, R A Lanzer, A Pendlington, S Piggott, S Pritchard, T Rana and S Sivarajah

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Published 24 June 2022



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

## Part A Business (Open to the Public)

	Pages
<b>1. Apologies for Absence</b>	
<b>2. Disclosures of Interest and Whipping Declarations</b>	
In accordance with the Council's Code of Conduct, councillors are reminded that it is a requirement to declare interests where appropriate.	
Councillors must also declare if they are subject to their party group whip in relation to any items under consideration.	
<b>3. Minutes</b>	5 - 8
To approve as a correct record the minutes of the Overview and Scrutiny Commission held on 13 June 2022.	
<b>4. Public Question Time</b>	
To answer public questions under Scrutiny Procedure Rule 14.1.	
The question must be on matters which are relevant to the items on the agenda, a Scrutiny Panel or potential review. The question must not relate to an individual case which should be dealt with under the Council's complaints procedure or any other formal appeals procedure. One supplementary question from the questioner will be allowed on the same matter	
Up to 15 minutes is allocated for Public Question Time.	
<b>5. Public Spaces Protection Order - Keep your dog on a lead in Tilgate Park</b>	9 - 42
To consider report HCS/41 the Head of Community Services.	
<b>6. Treasury Management Outturn 2021 – 2022</b>	43 - 60
To consider report FIN/575 of the Head of Corporate Finance.	
<b>7. Financial Outturn 2021-2022 (Quarter 4)</b>	61 - 84
To consider report FIN/572 of the Head of Corporate Finance.	
<b>8. Health and Adult Social Care Scrutiny Committee (HASC)</b>	
To receive a brief update on the <a href="#">Health and Adult Social Care Scrutiny Committee</a> (HASC).	

## 9. Forthcoming Decision List - and Provisional List of Reports for the Commission's following Meetings

To consider any requests for [future items](#) to be considered for further meetings. Those highlighted items have been referred to the Commission.

### Cabinet 7 Sept 2022

### OSC 5 Sept

Item	PFD
CBC Equality, Diversity & Inclusion Statement 2022-26	

### Cabinet 5 Oct 2022

### OSC 3 Oct

Item	PFD
Budget Strategy 2023/24 – 2027/28	Yes
2022/2023 Budget Monitoring - Quarter 1	
Proposed Changes to the Essential Car User Allowance Scheme	

### PROV Cabinet 2 Nov 2022

### OSC 31 Oct

Item	PFD

### Cabinet 23 Nov 2022

### OSC 21 Nov

Item	PFD
Budget Strategy Mid-Year Review 2022	
2022/2023 Budget Monitoring - Quarter 2	
Treasury Management Mid-Year Review 2022-2023	

## 10. Supplemental Agenda

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

**11. Exempt Information – Exclusion of the Public**

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

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

**Part B Business****12. Online Benefits**

85 - 100

Exempt Paragraph 3

*Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

To consider report FIN/573 of the Head of Corporate Finance.

**13. Telford Place Land Proposal**

Exempt Paragraph 3

*Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

To consider report SHAP/86 of the Head of Strategic Housing Services.

**Report is to follow as agreed with the Chair.**

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## Crawley Borough Council

### Minutes of Overview and Scrutiny Commission

Monday, 13 June 2022 at 8.00 pm

#### Councillors Present:

T G Belben (Chair)

K Khan (Vice-Chair)

M L Ayling, H Hellier, I T Irvine, R A Lanzer, A Pendlington, S Piggott, S Pritchard, T Rana and S Sivarajah

#### Also in Attendance:

Councillor R D Burrett and S Malik

#### Officers Present:

Siraj Choudhury                      Head of Governance, People & Performance

Heather Girling                      Democratic Services Officer

Joe Mottershead                      HR Consultant

#### 1. Disclosures of Interest and Whipping Declarations

The following disclosures were made:

<b>Councillor</b>	<b>Item and Minute</b>	<b>Type and Nature of Disclosure</b>
Councillor R A Lanzer	Appointments and Membership of Scrutiny Panels (HASC) (Minute 5)	Personal Interest – Member of WSCC
Councillor R A Lanzer	Appointments and Membership Of Scrutiny Panels (HASC) (Minute 5)	Personal Interest – WSCC Cabinet Member for Public Health & Wellbeing

#### 2. Minutes

The minutes of the meeting of the Commission held on 14 March 2022 were approved as a correct record and signed by the Chair.

#### 3. Public Question Time

No questions from the public were asked.

## 4. Staff Sickness Levels with Covid 19 and the Effects of Working from Home Update Report

Commission Members considered report [LDS/184](#) of the Head of Governance, People & Performance. In June 2021, Councillor T Belben under the Scrutiny Procurement Rules had requested a report on staff sickness levels with Covid19 and the effects and impacts of working from home and an update was provided in November 2021. It was recommended that the OSC receive an annual update on staff welfare, sickness and morale.

During the discussion, with the Head of Governance, People & Performance and HR Consultant, the following points were expressed:

- Throughout the pandemic the majority of staff worked from home, whilst those that were not able to do so, continued their operational duties following completed risk assessments.
- It was acknowledged that whilst staff had been previously testing this had resulted in more cases of Covid being documented. However, as testing requirements had eased the number of cases had decreased and the number of staff since May had not reached double figures. In terms of figures and Covid absences, during 2021/22 quarter 4 Covid sickness was 24%, and Covid isolation was 1%. This compared to Q3 figures of Covid sickness 13% and Covid isolation of 1%. In terms of overall sickness, during quarter 4 stomach, liver, kidney attributed to 11%, stress, depression and mental health 8% and other musculoskeletal 8%.
- Staff had been asked to have a presence in the office at least two days per week if full time and one day a week for part time staff and the Council had seen little resistance to this change and adaptation to hybrid working. It was anticipated that this hybrid working would continue as the Council progressed to the new Town hall.
- The Council had continued to provide flu vaccines for staff and this take up had increased annually. In 2019, 167 individuals took up the offer and this had increased to 174 in 2020 and again in 2021 to 215 individuals. The Council would shortly be rolling out the programme for 2022.
- The Council's offer of support to staff had been made through the learning and development programme. The support outlined in report [LDS/166](#) remained and was further documented in [LDS/184](#). Part of the offer with further workshops for all colleagues had been delivered by Microsoft Teams and CBC Learning Channel and the workshop offer for people managers had been increased, including introducing those 'in person'. The Council's Wellbeing Team also delivered various sessions as an aid to assist employees.
- Additional sessions and workshops had been arranged for people managers along with the launch of a revised appraisal scheme.
- There continued to be a take up of the counselling service. 123 staff members had used the service since 2019, although it was not apparent if the figures included repeated sessions during this period (2019 = 41, 2020 = 34, 2021 = 32, 2022 = 16 to date). The offer to staff is one round comprising of 6 sessions. The Council was seeing a number of people requiring more than the 6 sessions and in part this was attributed to the difficulty in obtaining GP referrals and NHS mental health service referrals. In general, the feedback from the counselling service following the completion of sessions was positive and the numbers requiring the service over the last few years had decreased.
- It was also recognised that the Council had Mental Health first aiders who were trained to listen and guide staff to appropriate support if required. They compliment, rather than replace, the essential relationship staff had with their line

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13 June 2022

manager in helping individuals to stay both physically and mentally healthy in work.

- Staff surveys continued to be carried out and whilst the overall results continued to remain positive, one area that saw a downward trend was that staff were finding workload levels more challenging. It was hoped that the additional workshops and the refreshed appraisal scheme would assist in planning ahead for the coming year whilst looking to future support.
- It was recognised that whilst there was responsibility on the Council (as employer) to ensure it exercised its duty of care to staff there was also a need for staff to take responsibility for themselves, take advantage of the support and reach out when they were struggling.

Commission Members then raised a number of queries. The issues raised and the key responses included:

- Query was raised whether the Council had responded to the [LGA Covid-19 Workforce Survey 2022](#). It contained specific information and data, such as, of those authorities that responded, two-thirds (66%) of the staff were unavailable because of 'Non-Covid sickness' (4% of all staff) and 25% were unavailable due to 'Confirmed/suspected Covid' (1% of all staff). When asked to assess the Council overall, in terms of whether they had enough staff to run services normally or not, of those that had responded, 53% of councils reported they were not operating normally. In response, it was acknowledged that the Council had experienced operational pressures within specific services, but the gradual return of the workforce had assisted in minimising risk.
- It was acknowledged there was difficulty in recruitment to various professional roles due to a skill shortage. Work had been carried out in terms of marketing and adapting the current recruitment material.
- It was queried whether a cost/benefit analysis had been conducted with regards to permanent remote working as it was thought this may assist not only in recruitment but also capacity, workload and efficiencies. In response, recent staff survey results had indicated that a balanced approach had been the preference due to the impact full remote working had on individual's mental health together with the implications for working/social relationships and inductions. However further work could be investigated.
- There was appreciation for the support and counselling currently on offer for staff, but it was requested if a distinction could be made between office and operational staff attending counselling to determine any trends for further support. It was confirmed that those requiring the service were encouraged to attend counselling at a beneficial time and managers to support this.
- Recognition that the pandemic had resulted in added pressure on staff. It was recognised there was other challenges the workforce may face going forwards and there was a need to identify the workload pressures and gaps. The staff surveys assisted in identifying the demands, anxieties and staff satisfaction.
- It was acknowledged that the legacy of the Covid pandemic would remain with the Council for a long time to come.
- The Commission's gratitude was relayed to the officers, particularly the HR and OD Manager who had contributed to the report. It wished to continue to receive an annual update.

## **RESOLVED**

That the Commission noted the report and progress, with the views expressed being acknowledged and documented by the officers.

## 5. Appointments and Membership of Scrutiny Panels

### **RESOLVED**

That the Commission noted and approved the following memberships and appointments:

Council-owned Neighbourhood Parades Scrutiny Panel -  
Councillors Ayling, K Khan, Lanzer, Mwagale, Peck, Rana, with Councillor Lanzer as Chair.

Health and Adult Social Care Scrutiny Committee (HASC)

It was moved by Councillor Khan, seconded by Councillor Ayling that Councillor Irvine be the Council's representative for HASC. There were no other nominations.

Councillor Irvine was appointed as the representative for the Health and Adult Social Care Scrutiny Committee.

West Sussex Joint Scrutiny Steering Group (JSSG)  
Councillor T Belben

## 6. Forthcoming Decision List - and Provisional List of Reports for the Commission's following Meetings

The Commission confirmed the following reports:

### **4 July**

Treasury Management Outturn 2021 – 2022

Financial Outturn 2021-2022 (Quarter 4)

Public Spaces Protection Order - Keep your dog on a lead in Tilgate Park

Online Benefits (Part B)

Telford Place Land Proposal (Part B)

### **Closure of Meeting**

With the business of the Overview and Scrutiny Commission concluded, the Chair declared the meeting closed at 9.34 pm.

**T G Belben (Chair)**



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## Crawley Borough Council

**Report to Overview and Scrutiny Commission  
4 July 2022**

**Report to Cabinet  
6 July 2022**

### **Public Spaces Protection Order – Keep your dog on a lead in Tilgate Park**

Report of the Head of Community Services, **HCS/41**

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#### **1. Purpose**

- 1.1 To review the findings of the consultation and consider the options set out in the report for the making of a Public Spaces Protection Order (PSPO) to prohibit dog related anti-social behaviour in Tilgate Park.

#### **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) Request that Full Council make a PSPO as set out in Option 4 (section 5.10 and Appendix A), with the restricted area covering main lake, silt lake, Peace Garden and lawn area and golf course within Tilgate Park, as shown in Appendix B, all year round
- b) Resolve that the level for Fixed Penalty Notices which may be issued for a breach of the PSPO (in the event that Full Council makes the PSPO in the form of the draft at Appendix A of this Report, HCS/41) be set at £100.

#### **3. Reasons for the Recommendations**

- 3.1 A PSPO would provide a practical enforcement solution for the rules as stated on the Council's website regarding dogs at Tilgate Park and seek to deter anti-social behaviour relating to dogs off lead in other areas of the park. Report [HCS/34](#) set out information which demonstrates that both conditions (as set out in paragraph 4.6) are met.

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## 4. Background

- 4.1 At the Cabinet meeting on 12 January 2022, it was agreed in principle to implement a Public Spaces Protection Order (PSPO) to prohibit dog related anti-social behaviour in Tilgate Park for a period of 3 years, requiring dogs to be kept on leads in all areas of the park unless explicitly specified otherwise, subject to first undertaking a consultation exercise.
- 4.2 In addition, it was agreed to reinstate a proactive and high-profile education and information programme encouraging owners to keep their dogs on leads in Tilgate Park.
- 4.3 The decision to progress with the PSPO process was in response to a petition received by the Council requesting that the Council increases on site information signage and Community Warden patrols to inform and enforce the rules stated on the Council's website requiring dogs to be kept on leads in Tilgate Park, specifically around the lake.
- 4.4 In 2021 there were 10 formal reports involving dogs off leads in Tilgate Park (9 Council and 1 police reports). Complaints typically related to the lake area (and main lawn) and involved dogs off lead approaching park users uninvited. Over a three-year period (2018 – 2021) 22 dog related reports were made to Sussex Police specifically relating to Tilgate Park. Also anecdotally, complaints on social media channels had increased and staff had witnessed dogs causing nuisance to other park users during their working day.
- 4.5 It was recognised that whilst the majority of formally reported and anecdotal incidents were largely focused around the lake and lawn areas, there was evidence of issues affecting the entire park. It was also acknowledged that there was likely to be under-reporting of incidents and the true scale of issues was not necessarily reflected in formal complaints and reports, particularly in the case of dogs interfering with the park's wildlife.
- 4.6 PSPOs were introduced under the Anti-social Behaviour Crime and Policing Act 2014 and are designed to address unreasonable and persistent behaviour that affects the quality of life of a local authority's residents. PSPOs last for up to 3 years unless extended before they expire or discharged (revoked). PSPOs can only be made where the Council is satisfied on reasonable grounds (i.e. there is evidence demonstrating) the following 2 conditions:
- (1) that there has been (or it is likely to be) activities carried on in a public place which have had (or are likely to have) a detrimental effect on the quality of life of those in the locality,
  - (2) the effect (or likely effect) of the activities:
    - is (or is likely to be) of a persistent or continuing nature,
    - is (or is likely to be) such as to make the activities unreasonable.
    - justifies the restrictions imposed.
- 4.7 Breach of a PSPO is a criminal offence and can be dealt with by way of a fixed penalty notice (FPN) (currently set at £100) or a fine up to level 3 (£1000) on prosecution. Authorised officers are able to issue a FPN immediately upon witnessing a breach of PSPO.
- 4.8 The Council has already implemented two Borough wide PSPOs to address anti-social behaviour relating to consumption of alcohol in a public place and car cruising.

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## 5. Information & Analysis Supporting Recommendation

- 5.1 Before making a PSPO the Council must publicise the text of the proposed order and:
- consult with the chief police officer and the local policing body
  - consult with such community representatives as the Council thinks appropriate
  - consult (as reasonably practicable) the owners or occupiers of land in the area of the proposed order
  - consider any representations made.

5.2 Letters were sent via email to Sussex Police, via the local District Commander, the Police and Crime Commissioner, WSCC and The Kennel Club regarding the proposal for a new PSPO relating specifically to Tilgate Park. Sussex Police, WSCC and the Police and Crime Commissioner replied with no comments or feedback regarding the proposed PSPO.

### 5.3 The Kennel Club

The response from The Kennel Club advised that they would not condone a general dogs on lead PSPO, saying that “despite some reported cases of irresponsible dog ownership, local dog owners do have a duty of care to provide their dogs with adequate exercise, including off lead, and should be able to walk their dogs at their local park in order that they do not have to drive somewhere else to do so.”

The Kennel Club did highlight other strategies such as Acceptable Behaviour Contracts and Community Protection Notices could be used to target specific irresponsible dog owners and that the council could arrange awareness raising events in the park to welcome dog owners and communicate the importance of keeping their dogs under proper control.

They did acknowledge the concerns raised within the local area and in order that all access users are able to enjoy the park, that some areas within the park might benefit from a dogs on lead PSPO. They would not oppose this providing that the majority of the park remained open to dog walkers wishing to exercise their dogs off lead and that the land to do so is appropriate and safe and large enough.

The underlying principle that The Kennel Club seek to see applied is that dog controls should be the least restrictive to achieve a given defined and measurable outcome. And that in many cases a seasonal or time of day restriction will be effective and the least restricted approach rather than a blanket year-round restriction. For instance, a “dogs on lead” order for a picnic area is unlikely to be necessary in mid-winter.

The Kennel Club also recommended that the council communicates changes positively to dog walkers in order that they are still encouraged to use the park to exercise their pets.

- 5.4 All businesses operating in the park and tenants of the recreation huts were sent letters via email regarding the proposed PSPO and public consultation. All residents living within the park were hand delivered letters regarding the proposed PSPO and public consultation.
- 5.5 In addition, the Council has conducted a wide consultation exercise with the general public, as described below in 5.7.
- 5.6 In response to the consultation, the wording of draft PSPO (in Appendix A) has been amended to include the statutory definition of ‘public place’ and incorporated that into the definition of ‘restricted area’ to make it clear that a PSPO would only apply to land to

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which the public has access i.e. it would not apply to the private houses and gardens etc of those who live within the restricted area. Aside from this one minor amendment, the proposed draft wording which was circulated for the consultation exercise was as set out in Appendix A.

## 5.7 Public Consultation

- Consultation took place from the 25<sup>th</sup> February to 27<sup>th</sup> March 2022. A copy of the consultation questions is included in Appendix C. The consultation was made available online. A copy of the draft order and map showing the restricted area was made available on the Council's website.
- The consultation was also supported by drop-in sessions that were held at Tilgate Park on 12<sup>th</sup> and 17<sup>th</sup> March to enable users/visitors to the park to complete the consultation survey in person rather than completing it online. This led to 175 public interactions yielding 50 paper surveys. Promotional posters containing a QR code were displayed around the park informing the public about the consultation and drop-in sessions.
- The consultation was promoted via press release and online through the Council's website and social media channels. In addition to posters displayed within Tilgate Park, posters were also displayed in neighbourhood notice boards. Other businesses, churches, schools and surgeries and community groups in the Tilgate area were emailed the consultation link.
- A total of 2,803 responses were received.
  - 99.3% of respondents were members of the public.
  - 65.4% of respondents were dog owners
  - 86.9% of respondents were Crawley residents.

## 5.8 Analysis of the Consultation responses:

*Question: Do you support the implementation of a Public Spaces Protection Order for dog related anti-social behaviour in Tilgate Park?*

There were 2,795 responses to this question, with the majority not in support.

- 58.4% (1,631) of respondents did not support the implementation of a PSPO.
- 38.7% (1,082) of respondents did support the implementation of a PSPO
- 2.9%( 82) of respondents did not know if they supported the implementation of a PSPO

70.3% of those who were not dog owners were in support of the PSPO compared to only 22% of those who owned dogs who were in support of the PSPO. The majority of those who owned dogs were not in support of the PSPO.

Those who were not in support or were uncertain about the implementation of the PSPO were given the opportunity to comment on why they had answered 'No' or 'Don't know'. 1,586 comments were made.

One of the most common reasons respondents were not in support of the proposed PSPO was that it was perceived as unfair that the majority of responsible dog owners would be penalised due to the actions of a minority of irresponsible owners.

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Respondents also stated that the PSPO area covering the whole of Tilgate Park was excessive, and owing to the size of the park, it will be too large to effectively patrol and enforce the PSPO effectively. However, respondents mentioned that having dogs on leads in areas, such as around the lake, would be appropriate in order to protect wildlife etc., whilst also being more practical to manage and enforce.

It was also questioned whether the PSPO was proportionate as many stated that they hadn't personally experienced anti-social behaviour from dogs being off lead and were concerned that the consultation documents did not provide evidence or data of anti-social behaviour issues being identified in the proposed area.

It was also noted that for many dogs, walking on lead only would not provide enough stimulation to keep dogs physically healthy.

*Question: Would you support the provision of an area within Tilgate Park where dogs can be off lead?*

- 63% (1,758) of respondents supported the provision of an area within Tilgate Park
- 26.4% (737) of respondents were not in support of the provision an area within Tilgate Park
- 10.5% (294) of respondents did not know if they support the provision of an area

In relation to those in support of an area within Tilgate Park where dogs can be off lead there was an even split between those who were dog owners (62.9% in support) and non dog owners (62.4% in support).

Those who were not in support or were uncertain about the provision of an area where dogs can be off lead within Tilgate Park were given the opportunity to comment on why they had answered 'No' or 'Don't know'. 931 comments were made.

The most common response from respondents indicated that they required further clarity and definition on the size and specification of the proposed designated area before making a decision to support such a proposal.

There was a concern over restricting dogs to one area of the park, with the potential for closer proximity between dogs potentially leading to issues.

Another reason stated for opposing a designated area was that it was felt dogs shouldn't be confined or limited to one area of the park to be allowed off lead.

Conversely, there were comments in opposition to a designated area on the basis that dogs should be on a lead throughout the park to ensure they are under control, and the proposal could create confusion around area boundaries.

At the end of the consultation survey respondents were given the opportunity to comment further on the proposed PSPO. A total of 1,285 responses were provided. These additional comments about the proposals mirrored those presented in the previous questions comment sections. Additional emerging themes are as follows:

- The subject of enforcement of the PSPO itself was raised, with respondents querying how it would be implemented in terms of both signage and visible patrols.

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- Concerns were also raised about behaviour from other park users causing issues around public safety with regards to cyclists, scooters and runners for example.
- In relation to areas of the park where dogs should be on or off lead, a common response was that wooded/forested areas and the golf course should be areas where dogs could be let off lead.
- It was also suggested that implementing a PSPO would be unlikely to affect the behaviour of irresponsible dog owners and addressing these owners with punitive action measures should be the primary focus.

In addition to the formal consultation, a number of individuals contacted the Council via email setting out their reasons for opposing the proposed PSPO. The general themes are as follows:

- Lack of evidence to justify implementing a PSPO
- Concerns for dog welfare if not allowed off lead
- Penalising owners with well-behaved dogs
- Focus should be on education for owners and training

In the general comments section, a number of responses refer to incidents involving dogs off lead taking place in Tilgate Park. The general theme of comments related to dogs off lead not being under control of their owners, running around jumping up at members of the public. There were multiple comments regarding owners not being aware of where their dog was or what their dog was doing, whilst off lead. Of particular concern was dogs off lead running up to children. There were several comments saying that they no longer came to the park as there are too many dogs off lead.

There were a number of comments relating to individuals having been bitten by dogs or having their own dog attacked by another dog off lead. Witnessing dogs off lead attacking ducks and cygnets. One comment stated that a horse rider's horse was attacked by a dog off lead causing the rider to be thrown off, sustaining a broken arm. In relation to the golf course, there were comments regarding disruption of those playing golf due to dogs running across the fairway and of dogs tearing around the greens and scratching up the turf. It is not known if any of these incidents were reported to either the council or police.

The table below provides further information regarding the types of comments made in relation to incidents/issues seen or experienced with regard to dogs off lead.

Unwanted attention from dogs off lead (this includes dogs jumping up at people, dogs chasing runners, dogs running over/interfering with picnics, being approached by dogs off lead)	88 comments
Dogs on lead approached by dogs off lead	21 comments
Bitten by dog off lead	7 comments
Dogs off lead attacking/fighting with other dogs	10 comments
Dogs off lead seen chasing/attacking wildfowl/wildlife (including one incident of a deer being chased)	21 comments
Dogs off lead doing their business and owners not clearing it up	11 comments
Dogs off lead a nuisance on fairway and greens	7 comments
Dogs off lead seen in the lake	9 comments

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Freedom of Information requests have also been received in relation to the proposed PSPO.

## 5.9 Officer comment re consultation and PSPO options

Reducing the restricted area is an approach that would be supported by The Kennel Club as they oppose blanket restrictions on dog walkers accessing public open Spaces. Having a reduced restricted area is also something that was supported by the public consultation.

Having a reduced restricted area without a physical boundary could present challenges regarding enforcement, as there could be issues identifying where the restricted areas starts and finishes. This would need to be taken into consideration when designing and installing signage.

Consideration of the PSPO being seasonal is also an approach that is supported by The Kennel Club. Making the PSPO enforceable between March and October around the main lake would protect ducklings, goslings and cygnets during the key months after hatching. Dogs being on lead on the main lawn area would also reduce the unwanted attention from dogs over the summer months when many visitors picnic on the lawn.

Under the Animal Welfare Act 2006, dog owners have a legal duty of care to provide their dogs with appropriate daily exercise. The Department for Environment, Food & Rural Affairs Code of practice for the welfare of Dogs states that “a dog needs regular exercise and regular opportunities to walk, run, explore, play, sniff and investigate”. Although there is no mention of this needing to be off lead, The Kennel Club in their response stated that in most cases this will be off lead whilst still under control. Reducing the restricted area would enable off lead exercise in other areas of park, as would the provision of a dedicated area for off lead exercise.

## 5.10 Options Appraisal

A number of options were considered based on evidence and the results of the consultation.

***Option 1 - Decide not to recommend to Full Council to make a PSPO regarding dog control at Tilgate Park at this time.***

Not making a PSPO is not an option, as although the number of formally reported incidents involving dogs off lead is comparatively low, the anecdotal evidence indicated that there are incidents and issues involving dogs off lead.

***Option 2 - Recommend to Full Council that it makes a PSPO in the form set out in Appendix A with the restricted area covering the whole of Tilgate Park as per the consultation and as shown in Appendix D to include Tilgate Golf Course and forest to the boundary of the M23 to the south, the railway line to the east, Tilgate neighbourhood to the north and Forestry Commission land to the west.***

The option of making a PSPO that covered the whole area of Tilgate Park has been ruled out based on the lack of evidence covering all areas of the park and the lack of support as demonstrated by the results of the public consultation.

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**Option 3** - Recommend to Full Council that it makes a PSPO in the form set out in Appendix A but that the restricted area to be limited to around the main lake and lawn area as shown in Appendix E.

A reduced restricted area is supported, however limiting the restricted area to just the main lake and lawn does not address issues experienced in the wider areas surrounding the lake and the golf course.

**Option 4** - Recommend to Full Council that it makes a PSPO in the form set out in Appendix A but the restricted area to be limited to an area to encompass the main lake, silt lake, Peace Garden, lawn area and surrounds and the golf course, as shown in Appendix B

This is the preferred option.. This option ensures that high footfall areas and the key areas of concern (main lake, lawns and surrounds and golf course) are covered by the requirement for dogs to be on lead at all times, whilst also providing areas within the park for dogs to be exercised off lead. A reduced restricted area was also an approach supported by The Kennel Club. Comments from those not in support of the PSPO said they would support a smaller restricted area that still enabled them to still let their dogs off lead, reference to the forest/wooded areas was mentioned frequently. Clear signage and a comprehensive communication plan will be required to ensure that all users of Tilgate Park are clear on what areas the PSPO applies to.

**Option 5** - Recommend to Full Council that it makes a PSPO in the form set out in Appendix F which is the same as Appendix A except that it would apply only from 1<sup>st</sup> March to 31<sup>st</sup> October, and also which of the 3 restricted area options should apply to the PSPO (the full area as in Appendix D or the reduced area as in Appendix E).

Making the PSPO seasonal was not considered an option as Tilgate Park is used all year round not just by dog walkers but by other users of the park. Just over a third of reports to the police occurred between November and February. Having the PSPO only applicable part of the year could be confusing to visitors of the park and make enforcement more challenging.

## 6. Implications

### *Financial*

- 6.1 There would be no additional resource implications to enforce the policy because this work will be absorbed within existing resources.
- 6.2 Revenue resource, in the region of £15,000, would be required to invest in permanent signage in key locations. This would come from within existing budget for Tilgate Park.
- 6.3 There would be legal costs associated with enforcement policy related prosecutions although full costs would be sought from the courts in the case of a successful prosecution.

### *Legal*

- 6.4 Section 59 of the Anti-Social Behaviour, Crime and Policing Act 2014 gives local authorities the powers to make, vary or renew a PSPO. The procedure is set out in section 72 of the 2014 Act and in the Anti-social Behaviour, Crime and Policing Act 2014 (Publication of Public Spaces Protection Orders) Regulations 2014 made under that Act.



# Agenda Item 5

- 6.5 If Cabinet decides to recommend to Full Council to make a PSPO, a draft of it including a map of the restricted area will need to be published on the Council's website in advance of Full Council to comply with Section 72 of the Anti-social Behaviour Crime and Policing Act 2014.
- 6.6 Section 66 of the Act gives the right to any an individual who lives in the restricted area or who regularly works in or visits that area to challenge the validity of the PSPO in the High Court within six weeks of it being made. There are 2 grounds on which the validity of a PSPO can eb challenged: (1) that the Council did not have the power to make the PSPO or to include particular prohibitions or requirements within it; or (2) that the Council did not comply with a legal requirement in making the PSPO.

## *Equalities*

- 6.7 The draft PSPO wording includes provision for an exemption for assistance dogs from the dogs on leads policy and any associated enforcement.

## **7. Background Papers**

[HCS/30 Petition "Keep your dog on a lead in Tilgate Park" – 8 September 2022](#)  
[HCS/34 Information on Option 3 in Relation to Petition – 'Keep your dog on a lead in Tilgate Park' – 12 January 2022](#)

### **Report author and contact officer:**

Trish Emmans  
Community Safety Officer  
[Trish.emmans@crawley.gov.uk](mailto:Trish.emmans@crawley.gov.uk)

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CRAWLEY BOROUGH COUNCIL  
ANTI SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014, SECTION 59

**Draft Dog Control (Tilgate Park) Public Spaces  
Protection Order No. 1 of 2022 (“Order”)**

**PUBLIC SPACES PROTECTION ORDER**

This order is made by Crawley Borough Council (the “Council”) and shall be known as the Dog Control (Tilgate Park) Public Spaces Order No. 1 of 2022.

**PRELIMINARY**

1. The Council, in making this Order is satisfied on reasonable grounds that:
  - 1.1 The activities identified below have been carried out in public places within the Council’s area and have had a detrimental effect on the quality of life of those in the locality, and
  - 1.2 That the effect, or likely effect, of the activities:
    - (a) is, or is likely to be, of a persistent or continuing nature,
    - (b) is, or is likely to be, such as to make the activities unreasonable, and
    - (c) justifies the restrictions imposed by the notice.
2. The Council is satisfied that the prohibitions and requirements imposed by this Order are reasonable to impose in order to prevent the detrimental effect of these activities from continuing, occurring or recurring, or to reduce that detrimental effect or to reduce the risk of its continuance, occurrence or recurrence.
3. The Council has had regard to the rights and freedoms set out in the European Convention on Human Rights. The Council has had particular regard to the rights and freedoms set out in Article 10 (right of freedom of expression) and Article 11 (right of freedom of assembly) of the European Convention on Human Rights and has concluded that the restrictions on such rights and freedoms imposed by this Order are lawful, necessary and proportionate.

## DEFINITIONS

4. In this Order:
- 4.1 “authorised officer” means a police officer, a police community support officer (PSCO), a Council officer and any person authorised by the Council to enforce this Order.
- 4.2 “lead” means any rope, cord, leash, or similar item used to tether, control or restrain a dog but does not include any such item which is not actively used as a means of restraint or control of the dog.
- 4.3 “person in charge of a dog” means the person aged 18 years or older who has the dog in their possession, care or company or, if none, the owner or person who habitually has the dog in their possession.
- 4.4 “prescribed charity” shall mean any of the following charities:
- (a) Dogs for the Disabled (registered charity number 700454);
  - (b) Support Dogs (registered charity number 1088281);
  - (c) Canine Partners for Independence (registered charity number 803680);
  - (d) Dog A.I.D. (registered charity number 1098619);
  - (e) Dogs for Good (registered charity number 1092960);
  - (f) Guide Dogs (registered charity number 209617); and
  - (g) Hearing Dogs for Deaf People (registered charity number 293358).
  - (h) any charity created after this Order which trains dogs to assist persons with any disability affecting their mobility, manual dexterity, physical coordination, or ability to lift, carry or otherwise move everyday objects.
- 4.5 “public place” means any place to which the public or any section of the public has access.
- 4.6 “restricted area” has the meaning given by section 59(4) of the Anti-Social Behaviour, Crime and Policing Act 2014 and for the purposes of

this Order includes all public places within the area shown delineated by the blue line on the plan Schedule 1 to this Order.

## **THE ACTIVITIES**

5. The activities are the inadequate and/or poor exercise of control of a dog by a person such that the dog causes nuisance, alarm and/or distress to other persons and/or animals.

## **THE PROHIBITIONS**

6. Subject to the exceptions stated below, a person in charge of a dog within the restricted area shall not at any time take the dog into, nor shall they allow the dog to enter or remain, in any of the areas hatched in red on the plan in Schedule 1 to this Order, such areas being the children's playground, the Walled Garden and the Tilgate Nature Centre.

## **THE REQUIREMENTS**

7. Subject to the exceptions stated below, a person in charge of a dog within the restricted area shall at all times keep the dog on a lead of not more than 2.0 metres in length.
8. Subject to the exceptions stated below, a person in charge of a dog within the restricted area shall provide, when asked by an authorised officer, their name and address to that authorised officer.
9. Subject to the exceptions stated below, a person in charge of a dog within the restricted area must at all times immediately comply with a direction given to them by an authorised officer to put and keep the dog on a lead.

## **THE EXCEPTIONS**

10. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person who:
  - 10.1 is registered as a blind person in a register compiled under section of the National Assistance Act 1949; or
  - 10.2 is deaf, in respect of a dog trained by Hearing Dogs for Deaf People (registered charity number 293358) and upon which that person relies for assistance; or

- 10.3 has a disability which affects his/her mobility, manual dexterity, physical coordination, or ability to lift, carry or otherwise move everyday objects, and who is in control of a dog trained by a prescribed charity upon which that person relies for assistance.
11. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person in control of a dog on official duty for a recognised law enforcement body (such as a police dog handler).
12. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person:
- 12.1 in control of any canidae kept as an exhibit in the zoo collection of Tilgate Nature Centre; or
- 12.2 in control of any canidae during the transport of such animals to and from Tilgate Nature Centre.
13. The requirements in paragraphs 7, 8 and 9 do not apply to any person in charge of a dog whilst both they and the dog are within any completely fenced off area which the Council may in future designate for the purpose of dog activity and which is clearly marked as such by signage erected by the Council thereon.

## **PERIOD FOR WHICH THIS ORDER HAS EFFECT**

14. This Order will come into force at midnight on [DATE] and will expire at midnight on [DATE].
15. At any point before the expiry of this three year period the Council can extend the Order by up to three years if they are satisfied on reasonable grounds that this is necessary to prevent the activities identified in the Order from occurring or recurring or to prevent an increase in the frequency or seriousness of those activities after that time.

## **WHAT HAPPENS IF YOU FAIL TO COMPLY WITH THIS ORDER?**

Section 67 of the Anti-Social Behaviour Crime and Policing Act 2014 says that it is a criminal offence for a person without reasonable excuse –

(a) to do anything that the person is prohibited from doing by a public spaces protection order, or

(b) to fail to comply with a requirement to which the person is subject under a public spaces protection order

A person guilty of an offence under section 67 is liable on conviction in the Magistrates' Court to a fine not exceeding level 3 on the standard scale.

## **FIXED PENALTY**

A constable, police community support officer or authorised Council officer may issue a fixed penalty notice to anyone they believe has committed an offence under section 67 of the Anti-Social Behaviour, Crime and Policing Act. You will have 14 days to pay the fixed penalty of £100. If you pay the fixed penalty within the 14 days you will not be prosecuted.

## **APPEALS**

Any challenge to this order must be made in the High Court by an interested person within six weeks of it being made. An interested person is someone who lives in, regularly works in, or visits the restricted area. This means that only those who are directly affected by the restrictions have the power to challenge. The right to challenge also exists where an order is varied by the Council.

Interested persons can challenge the validity of this order on two grounds: that the Council did not have power to make the order, or to include particular prohibitions or requirements; or that one of the requirements of the legislation has not been complied with.

When an application is made the High Court can decide to suspend the operation of the order pending the Court's decision, in part or in totality. The High Court has the ability to uphold the order, quash it, or vary it.

### Section 67 Anti-Social Behaviour Crime and Policing Act 2014

- (1) It is an offence for a person without reasonable excuse-
  - (a) To do anything that the person is prohibited from doing by a public spaces protection order, or
  - (b) To fail to comply with a requirement to which a person is subject under a public spaces protection order.
- (2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (3) A person does not commit an offence under this section by failing to comply with a prohibition or requirement that the local authority did not have power to include in the public spaces protection order.

The COMMON SEAL of CRAWLEY )  
BOROUGH COUNCIL was hereunto )  
affixed the        day of        )  
in the presence of:                )



**Schedule 1**

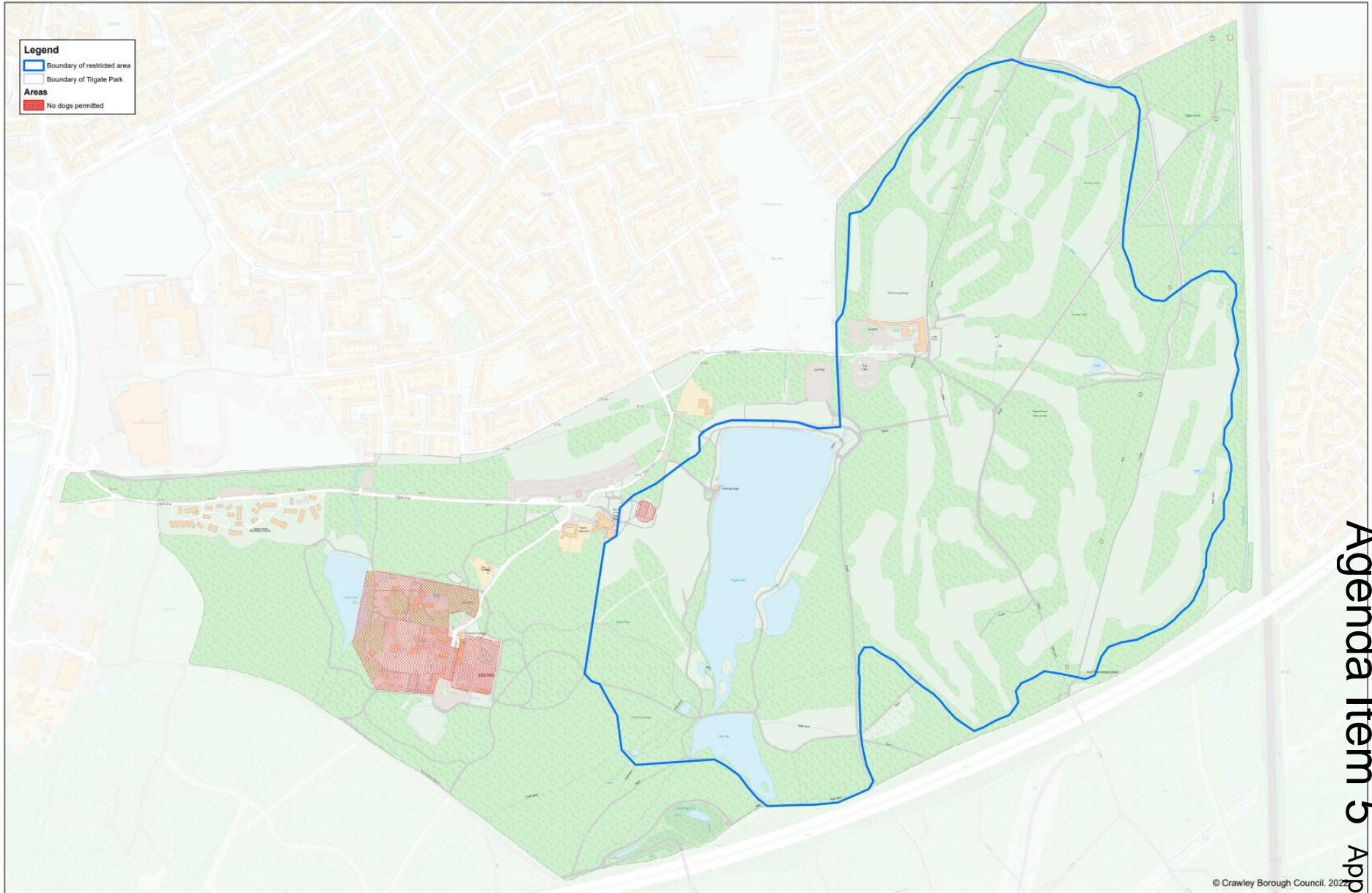
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# Tilgate Park Public Spaces Protection Order Restricted Area Map

This map shows the restricted area for the Public Spaces Protection Order for dogs on leads at all times. It covers the main lake, silt lake, Peace Garden, lawn area and golf course.

Dogs off lead will be permitted in all areas outside of the restricted area.

The map also shows the areas where no dogs are allowed; these are Tilgate Nature Centre, the Walled Garden and the children's play area.



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## Dog Control Public Spaces Protection Order: Have your say

Crawley Borough Council is proposing to implement a Public Spaces Protection Order (PSPO) under Section 59 Anti-Social Behaviour, Crime and Policing Act 2014, designating the area of Tilgate Park referred to in the PSPO as a restricted area for dog related anti-social behaviour for 3 years. The PSPO will be a tool available to the council to reduce the impact that dog related anti-social behaviour has on those living in, working in or visiting Tilgate Park.

The Order will require dogs to be kept on a lead at all times and no dogs will be permitted at all in the children's play area and Walled Garden. Council officers will be able to enforce the order and issue fixed penalty notices. Please note that this Order does not apply to a person in control of a working assistance dog which has been trained to assist that person who has a disability.

If you wish to support or object to the proposal to implement a new PSPO, please complete the short questionnaire below.

**1. Which best describes you? Please select one option.**

- Member of the public
- Community group representative
- Business representative
- Other (please specify below)

**2. Are you a dog owner?**

- Yes
- No

**3. Are you a Crawley resident?**

- Yes
- No

**What is your postcode?** Please write in the free text box below.

We are asking you this to understand the distribution of respondents by geography and if views differ. It will only be used for the purpose of which it has been given

**4. Do you support the implementation of a Public Spaces Protection Order (PSPO) for dog related anti-social behaviour in Tilgate Park?**

- Yes
- No
- Don't know

Please briefly explain below why you don't support, or are uncertain about, the implementation of the Public Space Protection Order for dog related anti-social behaviour in Tilgate Park:

**5. Would you support the provision of an area within Tilgate Park where dogs can be off lead?**

- Yes
- No
- Don't know

Please briefly explain below why you don't support, or are uncertain about, the provision of an area within Tilgate Park where dogs can be off lead:

**6. If you have any further comments regarding the PSPO, please use the free-text box below:**

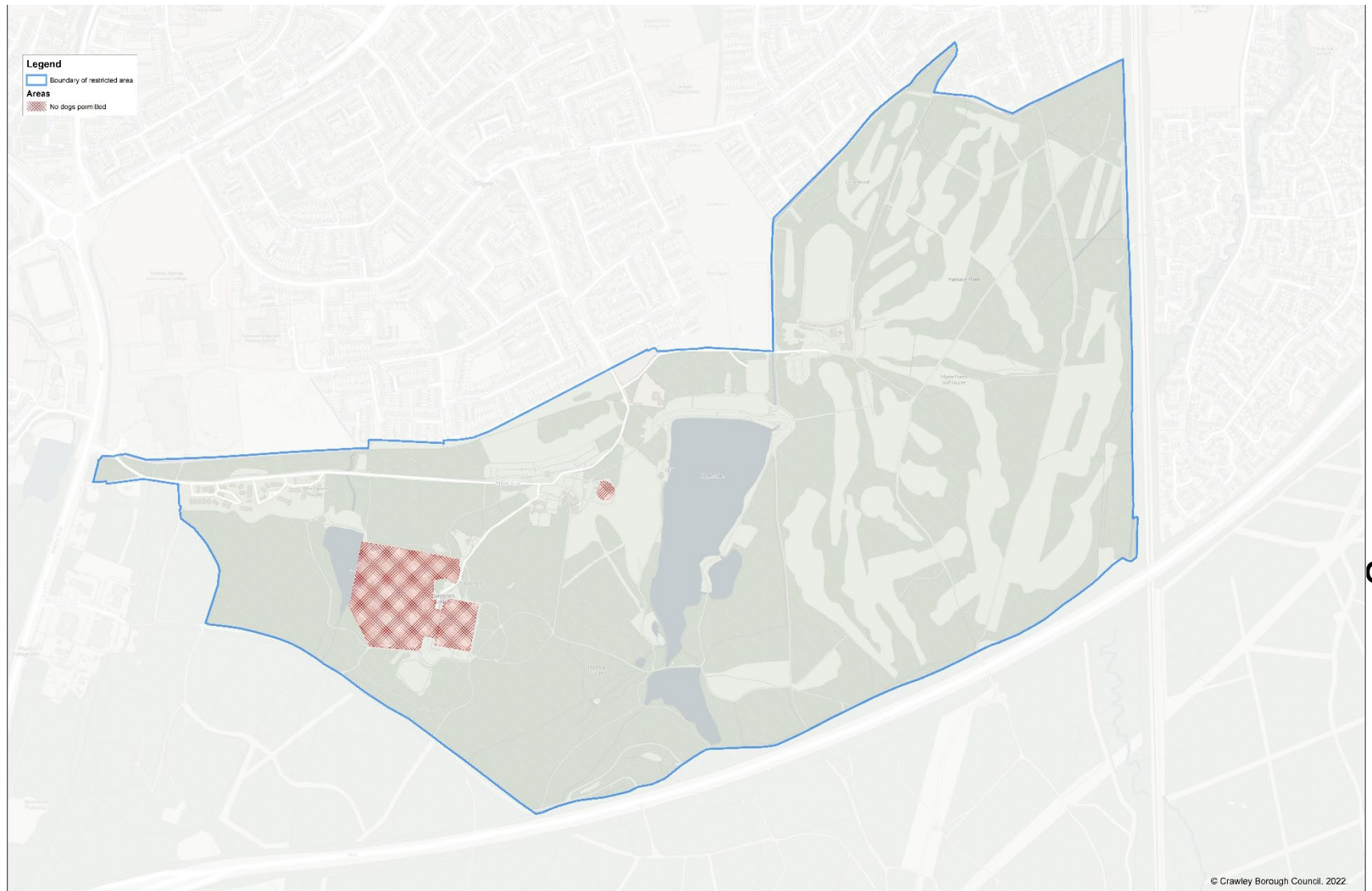
Thank you for taking the time to complete this questionnaire and sharing your views with us. If completing a paper version please return to Communications Team, Crawley Borough Council, Town Hall, The Boulevard, Crawley, RH10 1UZ

If you wish to speak to someone regarding the proposal or require further information, please email [pspo@crawley.gov.uk](mailto:pspo@crawley.gov.uk)

# Tilgate Park Public Spaces Protection Order restricted area map

This map shows the area that would be covered by the Public Spaces Protection Order for dogs on leads at all times. It covers Tilgate Park, Tilgate Nature Centre and Tilgate Forest Golf Centre. The boundaries are the M23 in the south, the railway line in the east, Tilgate neighbourhood in the north and Forestry Commission land to the west.

The map also shows the areas where no dogs would be allowed; these are Tilgate Nature Centre, the Walled Garden or the children's play area.



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CRAWLEY BOROUGH COUNCIL  
ANTI SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014, SECTION 59

**Draft Dog Control (Tilgate Park) Public Spaces  
Protection Order No. 1 of 2022 (“Order”)  
(Seasonal)**

**PUBLIC SPACES PROTECTION ORDER**

This order is made by Crawley Borough Council (the “Council”) and shall be known as the Dog Control (Tilgate Park) Public Spaces Order No. 1 of 2022.

**PRELIMINARY**

1. The Council, in making this Order is satisfied on reasonable grounds that:
  - 1.1 The activities identified below have been carried out in public places within the Council’s area and have had a detrimental effect on the quality of life of those in the locality, and
  - 1.2 That the effect, or likely effect, of the activities:
    - (a) is, or is likely to be, of a persistent or continuing nature,
    - (b) is, or is likely to be, such as to make the activities unreasonable, and
    - (c) justifies the restrictions imposed by the notice.
2. The Council is satisfied that the prohibitions and requirements imposed by this Order are reasonable to impose in order to prevent the detrimental effect of these activities from continuing, occurring or recurring, or to reduce that detrimental effect or to reduce the risk of its continuance, occurrence or recurrence.
3. The Council has had regard to the rights and freedoms set out in the European Convention on Human Rights. The Council has had particular regard to the rights and freedoms set out in Article 10 (right of freedom of expression) and Article 11 (right of freedom of assembly) of the European Convention on Human Rights and has concluded that the restrictions on such rights and freedoms imposed by this Order are lawful, necessary and proportionate.

## DEFINITIONS

4. In this Order:
- 4.1 “authorised officer” means a police officer, a police community support officer (PSCO), a Council officer and any person authorised by the Council to enforce this Order.
- 4.2 “lead” means any rope, cord, leash, or similar item used to tether, control or restrain a dog but does not include any such item which is not actively used as a means of restraint or control of the dog.
- 4.3 “person in charge of a dog” means the person aged 18 years or older who has the dog in their possession, care or company or, if none, the owner or person who habitually has the dog in their possession.
- 4.4 “prescribed charity” shall mean any of the following charities:
- (a) Dogs for the Disabled (registered charity number 700454);
  - (b) Support Dogs (registered charity number 1088281);
  - (c) Canine Partners for Independence (registered charity number 803680);
  - (d) Dog A.I.D. (registered charity number 1098619);
  - (e) Dogs for Good (registered charity number 1092960);
  - (f) Guide Dogs (registered charity number 209617); and
  - (g) Hearing Dogs for Deaf People (registered charity number 293358).
  - (h) any charity created after this Order which trains dogs to assist persons with any disability affecting their mobility, manual dexterity, physical coordination, or ability to lift, carry or otherwise move everyday objects.
- 4.5 “public place” means any place to which the public or any section of the public has access.
- 4.6 “restricted area” has the meaning given by section 59(4) of the Anti-Social Behaviour, Crime and Policing Act 2014 and for the purposes of

this Order includes all public places within the area shown delineated by the blue line on the plan Schedule 1 to this Order.

## **THE ACTIVITIES**

5. The activities are the inadequate and/or poor exercise of control of a dog by a person such that the dog causes nuisance, alarm and/or distress to other persons and/or animals.

## **THE PROHIBITIONS**

6. During the period of 1<sup>st</sup> March to 31<sup>st</sup> October inclusive within any year, and subject to the exceptions stated below, a person in charge of a dog within the restricted area shall not at any time take the dog into, nor shall they allow the dog to enter or remain, in any of the areas hatched in red on the plan in Schedule 1 to this Order, such areas being the children's playground, the Walled Garden and the Tilgate Nature Centre.

## **THE REQUIREMENTS**

7. During the period of 1<sup>st</sup> March to 31<sup>st</sup> October inclusive within any year, and subject to the exceptions stated below, a person in charge of a dog within the restricted area shall at all times keep the dog on a lead of not more than 2.0 metres in length.
8. During the period of 1<sup>st</sup> March to 31<sup>st</sup> October inclusive within any year, and subject to the exceptions stated below, a person in charge of a dog within the restricted area shall provide, when asked by an authorised officer, their name and address to that authorised officer.
9. During the period of 1<sup>st</sup> March to 31<sup>st</sup> October inclusive within any year, and subject to the exceptions stated below, a person in charge of a dog within the restricted area must at all times immediately comply with a direction given to them by an authorised officer to put and keep the dog on a lead.

## **THE EXCEPTIONS**

10. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person who:
  - 10.1 is registered as a blind person in a register compiled under section of the National Assistance Act 1949; or

- 10.2 is deaf, in respect of a dog trained by Hearing Dogs for Deaf People (registered charity number 293358) and upon which that person relies for assistance; or
  - 10.3 has a disability which affects his/her mobility, manual dexterity, physical coordination, or ability to lift, carry or otherwise move everyday objects, and who is in control of a dog trained by a prescribed charity upon which that person relies for assistance.
- 11. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person in control of a dog on official duty for a recognised law enforcement body (such as a police dog handler).
  - 12. The prohibition in paragraph 6 and the requirements in paragraphs 7, 8 and 9 do not apply to any person:
    - 12.1 in control of any canidae kept as an exhibit in the zoo collection of Tilgate Nature Centre; or
    - 12.2 in control of any canidae during the transport of such animals to and from Tilgate Nature Centre.
  - 13. The requirements in paragraphs 7, 8 and 9 do not apply to any person in charge of a dog whilst both they and the dog are within any completely fenced off area which the Council may in future designate for the purpose of dog activity and which is clearly marked as such by signage erected by the Council thereon.

## **PERIOD FOR WHICH THIS ORDER HAS EFFECT**

- 14. This Order will come into force at midnight on [DATE] and will expire at midnight on [DATE].
- 15. At any point before the expiry of this three year period the Council can extend the Order by up to three years if they are satisfied on reasonable grounds that this is necessary to prevent the activities identified in the Order from occurring or recurring or to prevent an increase in the frequency or seriousness of those activities after that time.

## **WHAT HAPPENS IF YOU FAIL TO COMPLY WITH THIS ORDER?**

Section 67 of the Anti-Social Behaviour Crime and Policing Act 2014 says that it is a criminal offence for a person without reasonable excuse –

(a) to do anything that the person is prohibited from doing by a public spaces protection order, or

(b) to fail to comply with a requirement to which the person is subject under a public spaces protection order

A person guilty of an offence under section 67 is liable on conviction in the Magistrates' Court to a fine not exceeding level 3 on the standard scale.

## **FIXED PENALTY**

A constable, police community support officer or authorised Council officer may issue a fixed penalty notice to anyone they believe has committed an offence under section 67 of the Anti-Social Behaviour, Crime and Policing Act. You will have 14 days to pay the fixed penalty of £100. If you pay the fixed penalty within the 14 days you will not be prosecuted.

## **APPEALS**

Any challenge to this order must be made in the High Court by an interested person within six weeks of it being made. An interested person is someone who lives in, regularly works in, or visits the restricted area. This means that only those who are directly affected by the restrictions have the power to challenge. The right to challenge also exists where an order is varied by the Council.

Interested persons can challenge the validity of this order on two grounds: that the Council did not have power to make the order, or to include particular prohibitions or requirements; or that one of the requirements of the legislation has not been complied with.

When an application is made the High Court can decide to suspend the operation of the order pending the Court's decision, in part or in totality. The High Court has the ability to uphold the order, quash it, or vary it.

### Section 67 Anti-Social Behaviour Crime and Policing Act 2014

- (1) It is an offence for a person without reasonable excuse-
  - (a) To do anything that the person is prohibited from doing by a public spaces protection order, or
  - (b) To fail to comply with a requirement to which a person is subject under a public spaces protection order.

- (2) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale.
- (3) A person does not commit an offence under this section by failing to comply with a prohibition or requirement that the local authority did not have power to include in the public spaces protection order.

The COMMON SEAL of CRAWLEY )  
BOROUGH COUNCIL was hereunto )  
affixed the        day of        )  
in the presence of:            )



## Schedule 1

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# Agenda Item 6

## Crawley Borough Council

**Report to Overview and Scrutiny Commission**  
**04 July 2022**

**Report to Cabinet**  
**06 July 2022**

### **Treasury Management Outturn 2021-2022**

Report of the Head of Corporate Finance – FIN/575

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#### **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 2021/22. 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 2021/22 the minimum reporting requirements were that the Full Council should receive the following reports:
  - an Annual Treasury Strategy in advance of the year (Council 24/02/2021, FIN/517)
  - a mid-year treasury update report (Council 15/12/2021, FIN/538)
  - 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 2021/22 Prudential and Treasury Indicators as set out in the report;
- b) To note the Annual Treasury Management Report for 2021/22.

# Agenda Item 6

## 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 Council's Capital Expenditure and Financing

- 4.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions, etc.), which has no resultant impact on the Council's borrowing need; or
  - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.
- 4.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

General Fund £'000	2020/21 Actual	2021/22 Budget	2021/22 Actual
<b>Capital expenditure</b>	<b>19,514</b>	<b>44,989</b>	<b>31,416</b>
<b>Non-financial investments</b>	<b>0</b>	<b>0</b>	<b>0</b>
Financed in year	19,514	28,989	31,416
<b>Unfinanced capital expenditure</b>	<b>0</b>	<b>16,000</b>	<b>0</b>

HRA £'000	2020/21 Actual	2021/22 Budget	2021/22 Actual
<b>Capital expenditure</b>	<b>22,703</b>	<b>33,400</b>	<b>13,927</b>
Financed in year	22,703	33,400	13,927
<b>Unfinanced capital expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 5. The Council's Overall Borrowing Need

- 5.1 On 31<sup>st</sup> March 2022, the Council had net borrowing of £131.380m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in the table below.

£'000	31 March 2022 Actual
CFR General Fund	18,778
CFR HRA	240,625
<b>Total CFR</b>	<b>259,403</b>
External borrowing	260,325

# Agenda Item 6

£'000	31 March 2022 Actual
<b>Over borrowing</b>	(922)
Less: Usable reserves	75,549
Less: Working capital	53,396
<b>Net borrowing</b>	131,380

- 5.2 Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Authority pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low.
- 5.3 **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 2020/21 the Council has maintained gross borrowing within its authorised limit.
- 5.4 **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 are acceptable subject to the authorised limit not being breached.

General Fund £'000	2021/22
Authorised limit	26,000
Maximum gross borrowing position during the year	5,000
Operational boundary	16,000
Average gross borrowing position	579
Financing costs as a proportion of net revenue stream	-0.63%

- 5.5 **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.

HRA £'000	2021/22
Authorised limit	270,325
Maximum gross borrowing position during the year	260,325
Operational boundary	260,325
Average gross borrowing position	260,325
Financing costs as a proportion of net revenue stream	17.52%

## 6. Treasury Position as at 31 March 2022

- 6.1 The Council measures and manages its exposures to treasury management risks using the following indicators.

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## 6.2 Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Actual 31 March 2022	2021/22 Target	Complied?
Portfolio average credit rating	AA-	A	✓

## 6.3 Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Actual 31 March 2022	2021/22 Target	Complied?
Total cash available within 3 months	£44.7m	£3m	✓

## 6.4 Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	Actual 31 March 2022	2021/22 Target	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.208m	£1m	✓
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£(0.208)m	£(1)m	✓

## 6.5 Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	31 March 2021 Actual £000	2021/22 Original Limits	31 March 2022 Actual £000	Complied?
Under 12 months	0	10%	11,000 (4%)	✓
12 months and within 24 months	11,000 (4%)	10%	12,000 (5%)	✓
24 months and within 5 years	38,000 (15%)	20%	41,000 (16%)	✓
5 years and within 10 years	86,000 (33%)	40%	92,000 (35%)	✓
10 years and within 20 years	125,325 (48%)	55%	104,325 (40%)	✓
20 years and within 30 years	0	10%	0	✓
30 years and within 40 years	0	10%	0	✓
40 years and within 50 years	0	10%	0	✓

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Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

## 6.6 Principal sums invested for periods longer than a year

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities greater than one year beyond the period end were:

	2021/22	2022/23	2023/24
Actual principal invested beyond year end	£10m	£0m	£0m
Limit on principal invested beyond year end	£20m	£20m	£20m
Complied?	✓	✓	✓

## 6.7 The treasury management position at 31<sup>st</sup> March 2022 and the change during the year is shown in the table below.

Treasury Management Summary	31.3.21 Balance £000	Movement £000	31.3.22 Balance £000	31.3.22 Rate %
Long-term borrowing	260,325	(11,000)	249,325	3.2
Short-term borrowing	0	11,000	11,000	2.6
<b>Total borrowing</b>	<b>260,325</b>	<b>0</b>	<b>260,325</b>	<b>3.2</b>
Long-term investments	0	9,996	9,996	0.29
Short-term investments	92,000	6,893	98,893	0.24
Cash and cash equivalents	17,094	2,962	20,056	0.62
<b>Total investments</b>	<b>109,094</b>	<b>19,851</b>	<b>128,945</b>	<b>0.30</b>
<b>Net borrowing</b>	<b>151,231</b>	<b>(19,851)</b>	<b>131,380</b>	

## 7. Borrowing Update and Outturn for 2021/22

- 7.1 The Authority was not planning to borrow to invest primarily for commercial return and so is unaffected by the changes to the Prudential Code.
- 7.2 At 31<sup>st</sup> March 2022 the Council held £260.325m of loans, no change from 31<sup>st</sup> March 2021, which was all for the HRA self-financing settlement.
- 7.3 The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
- 7.4 In keeping with these objectives, no new borrowing was undertaken.

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## 8. Investment strategy and control of interest rate risk

8.1 CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

8.2 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £109.1 and £157.6 million due to timing differences between income and expenditure. The investment position is shown in the table below.

INVESTMENT PORTFOLIO	Actual 31 March 2021 £000	Net Movement £000	Actual 31 March 2022 £000	31 March 2022 Income Return %	31 March 2022 Weighted Average Maturity Days
<b>Treasury investments</b>					
UK Banks	494	62	556	0.65%	1
Government	0	17,189	17,189	0.30%	286
Local authorities	92,000	(300)	91,700	0.23%	196
Money Market Funds	16,600	(7,100)	9,500	0.56%	1
Cash plus funds	0	10,000	10,000	0.67%	5
<b>TOTAL TREASURY INVESTMENTS</b>	109,094	19,851	128,945	0.27%	192

8.3 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

8.4 Ultra low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers have temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December, February and March. At 31st March, the 1-day return on the Authority's MMFs ranged between 0.51% - 0.58% p.a.

8.5 Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1% but following the hikes to policy, rates increased to between 0.55% and 0.85% depending on the deposit maturity. The average return on the Authority's DMADF deposits was 0.54%.

8.6 The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in the table below.



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Investments managed in-house	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2021	4.56	A+	16%	143	0.40
31.03.2022	4.39	AA-	8%	192	0.27
<b>Similar Las</b>	4.37	AA-	61%	43	0.46
<b>All LAs</b>	4.39	AA-	60%	14	0.46

- 8.7 Externally Managed Pooled Funds: £10m of the Council's investments is invested in externally managed strategic pooled funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability.
- 8.8 In light of Russia's invasion, Arlingclose contacted the fund managers of our MMF, cash plus and strategic funds and confirmed no direct exposure to Russian or Belarusian assets had been identified. Indirect exposures were immaterial. It should be noted that any assets held by banks and financial institutions (e.g. from loans to companies with links to those countries) within MMFs and other pooled funds cannot be identified easily or with any certainty as that level of granular detail is unlikely to be available to the fund managers or Arlingclose in the short-term, if at all.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

## 9. Non-Treasury Investments

- 9.1 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. This is replicated in the Investment Guidance issued by Ministry of Housing, Communities and Local Government's (MHCLG), in which the definition of investments is further broadened to also include all such assets held partially for financial return.

Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.

- 9.2 The Council held £13.542m of commercial investments in directly owned properties.

A full list of the Council's commercial investments is in the table below:

	Purchase Cost £000	Fair Value as at	Income for year	Rate of return %
--	-----------------------	---------------------	--------------------	---------------------

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		31/03/2022 £000	2021/22 £000	
Atlantic House	4,633	8,338	320	3.84
49-51 High Street	1,576	1,183	28	2.39
Ashdown House	7,915	4,021	627	15.59
<b>TOTAL</b>	<b>14,124</b>	<b>13,542</b>	<b>975</b>	<b>7.20</b>

Kingsgate car park was bought as an investment property for commercial purposes, but this transferred to an operational property after the lease was surrendered without notice on 11 October 2021. It therefore does not appear in the table above.

9.3 The Authority also held £57.699m of service investments in

- directly owned property £57.299m
- loan to The Hawth £0.4m

Service investments are not held primarily for financial return and support service objectives of the Council.

## 10. Investment Outturn for 2021/22

10.1 **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 24 February 2021. 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.

10.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

10.3 **Resources** – the Council’s cash balances comprise revenue and capital resources and cash flow monies. The Council’s core cash resources comprised as follows.

Balance Sheet Resources (£'000)	31 March 2021	31 March 2022
General Fund Balance	5,457	5,457
HRA Balance	3,198	3,198
Earmarked reserves (Appendix 3)	33,389	20,056
Major Repairs Reserve	23,095	27,007
Usable capital receipts	31,160	19,831
Working capital	12,795	53,396
<b>Total</b>	<b>109,094</b>	<b>128,945</b>

10.4 **Investments held by the Council** - the Council maintained an average balance of £130,669,451 of internally managed funds. The internally managed funds earned an average rate of return of 0.32%. See appendix 2 for a list of investments held at 31 March 2022. Revisions of the capital programme in the year (see 4.2) led to higher investment balances than budgeted. The lower rates of return are discussed in paragraph 5.2 and appendix 1.

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## 11. Implications

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

## 12. Background Papers

[Treasury Management Strategy for 2021/2022 – Cabinet, 3 February 2021 \[FIN/517 refers\]](#)

[Treasury Management Mid-Year Review 2021/22 – Cabinet, 24 November 2021 \[FIN/538 refers\]](#)

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## **Economic background**

The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.

Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the 'pingdemic' – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was

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stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank's target of 'below, but close to 2%', putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

## **Financial markets**

The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

## **Credit review**

In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.

Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.

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Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Detailed holdings at 31 March 2022

APPENDIX 2

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
<b>UK BANKS</b>									
Lloyds Bank plc	20		01/04/2022	1	0.650%	0.556	0.556	10.000	A+
<b>CENTRAL GOVERNMENT</b>									
DMADF Cash Account	2712	15/03/2022	05/04/2022	5	0.530%	5.000			
	2715	28/03/2022	08/04/2022	8	0.550%	2.200	7.200	Unlimited	AA-
United Kingdom Gilts	2672	18/06/2021	31/01/2024	671	0.173%	4.886			
	2684	01/10/2021	31/01/2023	306	0.245%	4.959	10.000	15.000	AA-
<b>LOCAL AUTHORITIES</b>									
Birmingham City Council	2667	30/11/2021	29/11/2022	243	0.100%	5.000	5.000	15.000	AA-
Blackburn with Darwen BC	2643	13/09/2021	12/09/2022	165	0.200%	5.000	5.000	15.000	AA-
Cherwell District Council	2654	16/08/2021	16/08/2022	138	0.100%	5.000	5.000	15.000	AA-
Cheshire West and Chester Council	2671	04/01/2022	03/01/2023	278	0.100%	5.000	5.000	15.000	AA-
Derbyshire County Council	2653	28/10/2021	28/10/2022	211	0.100%	5.000	5.000	15.000	AA-
Gloucester City Council	2655	25/10/2021	24/10/2022	207	0.100%	3.700	3.700	15.000	AA-
Guildford Borough Council	2695	01/11/2021	01/11/2022	215	0.100%	5.000	5.000	15.000	AA-
London Borough Of Hillingdon	2661	20/12/2021	19/12/2022	263	0.100%	5.000	5.000	15.000	AA-
Lancashire CC	2690	01/11/2021	01/11/2022	215	0.200%	2.000	2.000	15.000	AA-
London Borough of Islington	2652	07/05/2021	06/05/2022	36	0.100%	5.000	5.000	15.000	AA-
City of Liverpool	2651	21/06/2021	20/06/2022	81	0.150%	5.000	5.000	15.000	AA-
Middlesborough Borough Council	2716	31/03/2022	30/09/2022	183	0.900%	5.000	5.000	15.000	AA-
Monmouthshire County Council	2697	27/01/2022	26/01/2023	301	0.180%	3.000	3.000	15.000	AA-
North Lincolnshire Council	63	01/04/2021	01/04/2022	1	1.750%	3.000	3.000	15.000	AA-
Royal Borough of Windsor & Maidenhe	2688	18/10/2021	19/04/2022	19	0.020%	5.000	5.000	15.000	AA-
Rotherham Metropolitan Borough Coun	2645	18/06/2021	16/06/2023	442	0.450%	5.000	5.000	15.000	AA-
Slough Borough Council	2657	29/10/2021	28/10/2022	211	0.100%	2.000			
	2659	19/11/2021	21/11/2022	235	0.100%	3.000	5.000	15.000	AA-
South Cambridgeshire District Counc	2658	15/12/2021	14/12/2022	258	0.100%	5.000	5.000	15.000	AA-
Uttlesford District Council	2641	14/09/2021	13/09/2022	166	0.200%	5.000	5.000	15.000	AA-
Warrington Borough Council	2668	30/11/2021	29/11/2022	243	0.110%	5.000	5.000	15.000	AA-
<b>MONEY MARKET FUNDS</b>									
Aberdeen Liquidity Fund	5		01/04/2022	1	0.507%	2.500	2.500	6.000	AAA
The Public Sector Deposit Fund	6		01/04/2022	1	0.579%	7.000	7.000	15.000	AAA
<b>STRATEGIC FUNDS</b>									
Royal London	2714		05/04/2022	5	0.670%	10.000	10.000	10.000	A+

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
				----- 177 -----			----- 128.945 -----		
<b>INVESTMENT PROPERTIES</b>									
Ashdown House							8.338		
49-51 High Street							1.183		
Atlantic House							4.021		
							----- 13.542 -----		
							----- 142.487 -----		



## Earmarked Reserves

	Balance at 31 March 2021 £'000	Transfers Out 2021/22 £'000	Transfers In 2021/22 £'000	Balance at 31 March 2022 £'000
<b>General Fund:</b>				
Capital Programme	2,242	(152)	203	2,293
Restructuring Impact Reserve	400	-	-	400
Vehicles and Plant	1,015	(68)	685	1,632
Insurance Fund	378	-	-	378
ICT Replacement	170	(10)	100	260
Specialist Equipment at K2 Crawley and Hawth	166	-	100	266
Risk Management	175	-	90	265
Heritage Strategy	18	-	-	18
Pathfinder	24	-	-	24
Local Development Framework	443	(147)	127	423
Health & Wellbeing Grant	170	(6)	59	223
Connecting Communities	48	-	-	48
Homeless grant	141	-	-	141
Town Centre and Regeneration Reserve	124	(31)	161	254
Waste Collection	226	-	-	226
Worth Park HLF	33	-	-	33
Vol. Sector Transition Funding	24	-	34	58
Welfare Reform	430	(33)	-	397
Transparency	9	(16)	8	1
Shore gap fund	7	-	-	7
Parks Investment Reserve	-	(76)	344	268
Museum	60	(1)	-	59
Town Centre 75 <sup>th</sup> Entertainment	-	-	5	5
EU Exit Funding	338	(247)	-	91
Park Improvement Fund	87	-	-	87
Business Rates Pool Cycling	115	(13)	-	102
Homeless Accommodation Acquisition	1,529	-	-	1,529
Queen Square	381	-	-	381
Supported Accommodation	120	-	-	120
Town Funds	134	(1,144)	1,055	45

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	Balance at 31 March 2021 £'000	Transfers Out 2021/22 £'000	Transfers In 2021/22 £'000	Balance at 31 March 2022 £'000
Covid-19 Expenses Reserve	645	-	172	817
HMO Licenses	21	-	25	46
Transformation and Project Deliver	-	-	500	500
Woodland Trust Forestry Work	-	-	27	27
Climate Emergency	-	-	7	7
DEFRA Environment Health	-	-	17	17
Biodiversity Net Gain Grant	-	-	10	10
Garage maintenance	-	-	169	169
Learning and Development	-	-	55	55
Town Hall Equalisation	-	-	150	150
Licensing New Burdens	-	-	14	14
<b>CBC Earmarked Reserves</b>	<b>9,673</b>	<b>(1,944)</b>	<b>4,117</b>	<b>11,846</b>
Business Rates Equalisation*	21,821	(13,859)	-	7,962
Covid Grants*	1,813	(1,813)	167	167
Council Tax Income Guarantee*	81	-	-	81
<b>Total Earmarked Reserves</b>	<b>33,388</b>	<b>(17,616)</b>	<b>4,284</b>	<b>20,056</b>

## Other Information

**Revised CIPFA codes, Updated PWLB Lending Facility Guidance:** In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20<sup>th</sup> December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.

The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish. The Council has opted to defer until 2023/24.

To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

The Council will follow the same process as the Prudential Code, i.e. delaying changes in reporting requirements to the 2023/24 financial year.

**IFRS 16:** The implementation of the new IFRS 16 Leases accounting standard has an optional delay until 2024/25. The Council have opted to adopt IFRS 16 from 1<sup>st</sup> April 2022.

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# Agenda Item 7

## Crawley Borough Council

### Report to Overview and Scrutiny Commission

4<sup>th</sup> July 2022

### Report to Cabinet

6<sup>th</sup> July 2022

## Financial Outturn 2021/2022: Budget Monitoring - Quarter 4

Report of the Head of Corporate Finance, FIN/572

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### 1. Purpose

- 1.1 The report sets out a summary of the Council's actual revenue and capital spending for the financial year to March 2022. It identifies the main variations from the approved spending levels and any potential impact on future budgets. The report also gives an update of useable reserves.

### 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) **Note the outturn for the financial year 2021/22 as summarised in this report.**
- b) **Note that this has been an exceptional year where it has been very difficult to do accurate financial projections.**
- c) **Add £97,000 to the capital programme, funded from Government Grant for Changing Places Toilets as outlined in section 9.10 of this report.**

The Cabinet is recommended to ask Full Council to:

- d) **Agree to the transfers of reserves as outlined in section 10 of this report.**

### 3. Reasons for the Recommendations

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

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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 monthly update reports on key areas and any other areas of concern. The Overview and Scrutiny Commission also have the opportunity to scrutinise expenditure. The financial year 2021/2022 was exceptionally difficult to project accurately due to the impact of the pandemic on the Council's finances together with Government support.
- 4.3 This report outlines the projected outturn for 2021/2022 as at the end of March 2022.
- 4.4 As discussed in the budget report and Budget Strategy, due to the pandemic it is very difficult to accurately forecast the Council's financial position for the year.

## 5. Budget Monitoring Variations

### 5.1 General Fund

The table below summarises the projected variances in the relevant Portfolio at Quarter 4. This shows an underspend of £656,000 against the original budget.

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

	Actual Variance at Quarter 4		Variance projected at Quarter 3
	£'000		£'000
Cabinet	267	U	337
Public Protection & Community Engagement	(85)	F	(71)
Environmental Services & Sustainability	21	U	305
Housing	162	U	161
Wellbeing	795	U	1,225
Planning & Economic Development	38	U	(47)
Resources	(84)	F	(2)
<b>Sub Total</b>	<b>1,114</b>	<b>U</b>	<b>1,908</b>
Investment Interest	(512)	F	(622)
Approved Coronavirus Budgets	(941)	F	(1,113)
Sales, Fees and Charges Grant Q1	(316)	F	(316)
New Homes Bonus	(1)	F	0
<b>Net Variance</b>	<b>(656)</b>		<b>(143)</b>

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

## **Significant Quarter 4 variances over £50,000**

### **5.1.1 Cabinet**

There are no significant variations to report this quarter.

### **5.1.2 Public Protection & Community Engagement**

There are no significant variations to report this quarter.

### **5.1.3 Environmental Services & Sustainability Services**

Upgraded security due to recent capital works has reduced the level of vandalism occurring within Crawley Borough Council car parks, combined with lower maintenance costs and an uptake in pay and display usage during quarter four, the actual overspend has been reduced to £62,000 from £146,000 reported at quarter 3.

New legislation has been approved which provides 100% business rates relief for public conveniences, backdated to April 2020. A refund has therefore been received for financial year 2020/2021 resulting in an in-year underspend of £51,000.

An underspend of £88,000 has occurred within the shrub bed regeneration team due to difficulty recruiting and retaining employees to work on fixed term contracts. Successful candidates were instead opting to take full-time patchworking vacancies. The lack of a complete team has then led to further underspends on some operational activities including planting of new shrub beds.

Other minor variations within street furniture and street cleansing combine to a total underspend of £59,000.

### **5.1.4 Housing Services**

The homelessness team continue to see sustained pressure with rough sleeping and increasing numbers housed in temporary accommodation. This will likely continue to get worse in 2022/23 based on the latest numbers in nightly paid accommodation, this will be reported during the quarterly monitoring process.

### **5.1.5 Wellbeing**

Quarter 4 saw Community Centre income return to near pre-covid levels with increased casual and regular hire. This has resulted in almost £150,000 of additional income from the quarter 3 projection. Adult social hire also recommenced on 25 March but had minimal impact on income levels.

The Hawth contract has underspent by a further £219,000 against quarter 3 as a result of a successful application to the Cultural Recovery Fund. This was utilised to offset revenue deficits during the year.

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## 5.1.6 Planning & Economic Development

Commercial property income is down £189,000 from the quarter 3 projection due to lease renewals on parades taking longer to agree than expected.

Vacancies within the property team have led to a total underspend of £124,000. Some of this underspend had been earmarked for the CCTV move to the new town hall, but funding for this has been utilised from elsewhere.

## 5.1.7 Resources

There are no significant variations to report this quarter.

## 5.1.8 Investment Interest

Investment interest is down £110,000 from the projection at quarter 3, mostly due to movements in the market value of the Council's investments in the last quarter. These are unrealised losses and will be reversed in future years.

## 6. Coronavirus Budget

- 6.1 The Budget Strategy and budget report allowed for lost sales, fees & charges and additional expenditure pressures due to Covid of £1.113m. This is set up of £813,000 Covid related budget and £300,000 set aside for lost income. The below table sets out the proposed use of those funds and any remaining balance.

<b>Covid Related Variations</b>	<b>Q4 Actual Variance</b>	<b>Q3 Projection Variance</b>
	£000's	£000's
<b>Environmental Services &amp; Sustainability Services</b>		
Parking Reduced Income	62	146
Port Health Reduced Income	127	105
Licensing Reduced Income	29	29
	<b>218</b>	<b>280</b>
<b>Housing</b>		
Homelessness Temporary Accommodation	171	178
	<b>171</b>	<b>178</b>
<b>Wellbeing</b>		
PPE (Neighbourhood services)	25	40
Community Centres Reduced Income	107	254
The Hawth Reduced Management Fees	(270)	(51)
K2 Crawley Reduced Income & Additional Support	952	915
	<b>814</b>	<b>1,158</b>
<b>Planning &amp; Economic Development</b>		
Planning Reduced Income	42	42
Building Control Reduced Income	12	30
	<b>54</b>	<b>72</b>



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<b>Subtotal</b>	<b>1,257</b>	<b>1,688</b>
Sales, Fees & Charges Grant Q1	(316)	(316)
<b>Use of approved coronavirus budgets</b>	<b>941</b>	<b>1,113</b>
<b>Additional amount met by in year underspend / Covid reserve</b>	<b>0</b>	<b>259</b>

<b>Coronavirus budget transferred to reserve</b>	<b>172</b>	<b>0</b>
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## 7. Virements

- 7.1 Virements up to £50,000 can be approved by Heads of Service under delegated powers and reported to Cabinet for information.
- 7.2 The Head of Major Projects and Commercial Services agreed a capital programme virement of £45,000 from K2 Crawley Climbing Wall to Broadfield 3G Lighting to replace all the pitch lighting on site with LRD lights as per 9.9 further down in this report.

## 8. Council Housing Service – Revenue

- 8.1 The table below provides details of the 2021/2022 HRA variances.

### HOUSING REVENUE ACCOUNT (HRA)

	Q4 Variation £000's	Q3 Variation £000's
<u>Income</u>		
Rental Income	3,458	3,500
Other Income	(24)	(7)
Interest Received on balances	(220)	(215)
	<b>3,214</b>	<b>3,278</b>
<u>Expenditure</u>		
Employees	54	84
Repairs & Maintenance	349	1,361
Other running costs	(101)	45
Support services	0	0
	<b>302</b>	<b>1,490</b>
Net (Surplus) / Deficit	<b>3,516</b>	<b>4,768</b>
Transfer to the Housing Investment Reserve	(3,516)	(4,768)

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

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## 8.2 Repairs and Maintenance

Quarter 4 saw a substantial decrease in the level of repairs and void works taking place compared to the increase forecasted at quarter 3. Historically workloads increase over the winter months due to storms and other seasonal demands. The overspend on the repairs contract for the year was therefore £772,000.

Difficulty gaining access to buildings for contractors along with COVID absences has led to a delay in the programme of works on external decorations. Some properties were also in need of further repairs before the planned work could be completed. More detailed work should be completed in 2022/23. The total underspend was £469,000.

In preparation for the new fire safety bill, additional fire safety inspections and emergency testing was undertaken. Where needed any remedial work was also completed resulting in an overspend of £57,000.

## 8.3 Other Running Costs

It was expected that the HRA would contribute to a grounds maintenance project to accurately assess the responsibility for land within the borough. This has not been completed in year due to other demands on the service and has resulted in an underspend of £121,000.

Additional legal fees of £45,000 incurred due to a disrepair claim relating to leaky roof, including damp within the property. A service review of the disrepair claim process is taking place to help mitigate the occurrence of claims and the legal fees subsequently incurred.

## 9. Capital

9.1 The table below shows the 2021/22 capital outturn and proposed carry forward into 2022/23. Further details on the Capital Programme are provided in Appendix 2 to this report.

	Original Budget 2021/22	Revised Budget 2021/22	Outturn 2021/22	Under/ (over)spend	Re-profiled to/(from) future years
	£000's	£000's	£000's	£000's	£000's
New Town Hall Redevelopment Programme– Joint responsibility	27,424	21,977	21,337	0	640
Cabinet	330	191	181	0	10
Environmental Services & Sustainability	264	600	431	0	169
Housing Services	3,766	4,157	3,134	0	1,023

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Planning & Economic Development	9,227	5,310	5,177	0	133
Resources	3,294	677	215	25	437
Wellbeing	1,013	1,346	941	6	399
Total General Fund	45,318	34,258	31,416	31	2,811
Council Housing	33,070	17,217	13,927	(68)	3,358
<b>Total Capital</b>	<b>78,388</b>	<b>51,475</b>	<b>45,343</b>	<b>(37)</b>	<b>6,169</b>

The original capital budget for 2021/22 was £78.39m which has been revised during the year and reduced to £51.53m and the changes being reported to Cabinet each quarter. The main reasons for the movement between the original budget and the revised budget are due to water neutrality causing delays within planning for the housing programme and delays within the Crawley Growth programme.

The projected spend at Quarter 3 was £46.5m and the actual spend was £45.34m - the main variation was around a property purchase that could not be completed before the end of March 2022.

- 9.2 Crawlers/Manor Royal Cycle Path has slipped £65,665 into 2022/23 as delivery of the scheme has proved problematic due to the desired route and the individual landowners. The scheme is funded from S106 and will be redistributed in 2022/23.
- 9.3 The District Heat Network Phase 2 is at the feasibility stage and the budget of £94,950 has been slipped into 2022/23.
- 9.4 The Disabled Facilities Grant has slipped £45,120 into 2022/23. The budget for 2022/23 has been increased by £995,966 which is Crawley's allocation from the Better Care Fund, this is allocated to West Sussex County Council and redistributed to the Districts.
- 9.5 Crawley Growth Programme  
Three schemes, Station Gateway, Town Centre Western Boulevard (cycle improvements) and Town Centre Commercial space which are CBC led schemes forming part of the Crawley Growth Programme are at design stage and progressing well. The Crawley Growth Programme will be reviewed during 2022/23 which will give certainty going forward of what will be delivered in the future. The current forecast is shown in Appendix 2.
- 9.6 Temporary Accommodation has slipped £998,258 into 2022/23 due to the delay in the purchase of 225 Three Bridges Road. The purchase of this property was completed early in April 2022.
- 9.7 ICT Cloud has slipped £150,000 into 2022/23 to be used on new infrastructure needed to support working in the cloud effectively.
- 9.8 Hardware Renewals has slipped £100,000 into 2022/23 as there has been a global shortage of computer hardware.
- 9.9 The lighting at Broadfield 3G pitches requires to be updated to LED lights to ensure the lighting levels are maintained to Football League standard. At present the lamps

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are being replaced every six months due to complaints which is very costly. By replacing the lights on site with LED lights there will also be significant energy saving and be part of the larger decarbonisation programme. £45,000 has been vired from K2 Crawley Climbing Wall to Broadfield 3G Lighting.

## 9.10 Housing

### HRA Programme Maintenance

The HRA programme maintenance is slipping a total of £892,213 into 2022/23 the main reason for the slippage is due to waiting to hear the outcome of a Social Housing Decarbonisation Fund (SHDF) grant application for £690,000, which has been successful. This grant represents one-third of the capital expenditure required to complete the final phase of the Broadfield External Wall Insulation programme.

The forecast at quarter 3 was based on our contractors forecast of expected works to be completed in the fourth quarter of 2021/22, unfortunately they had a large amount of Covid illness and where unable to complete as much work as expected.

### HRA Database

The HRA Database will be overspent by £68,084. The project has been delayed and as a result will incur additional costs of £38,083. It has also been identified that the project will benefit from additional functionality above the original specification at a cost of £30,000.

### Acquisition of Land or Dwelling

In 2021/22 this budget has been used for the purchase of 1 dwelling to be added to the HRA stock, leaving £498,250 to be slipped into future years.

### Forge Wood Phase 2

The budget of £949,141 has been slipped into 2022/23 due to the handover of properties being pushed back. Both developers are experiencing delays in deliveries of materials which has hampered the progress of two block of flats that are for the Council.

### Milton Mound Major Works

Works have been delayed at Milton Mount. After an inspection and officer review by Sussex Building Control a major design amendment has been required having an impact on the progress of the project so slipping £758,961 into 2022/23.

9.11 Crawley has been successful in a grant application of £97,000 from the Department for Levelling Up, Housing and Communities (DHLUC) for two Changing Places toilets: one for Crawley K2 and one for The Hawth and it is recommended that this is added to the capital programme.

9.12 Within the fourth quarter of 2021/22 **eighteen** Council Houses were sold through Right to Buy with a sale value of £3,016,650 compared to nine in the fourth quarter of last year. Of these receipts a proportion will be paid over to the Government with the remainder being retained by the Council being set aside as 1-4-1 receipts and general capital 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 addition receipts on building or acquiring properties.]

The total number of properties sold in 2021/22 was 51, compared to 39 in 2020/21

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- 9.13 The total cumulative 1-4-1 receipts retained is £42,187,510 which can be used to fund 40% of any expenditure on new affordable housing. It cannot be used on schemes supported by Homes and Community Agency (HCA) Funding.
- 9.14 To date, £31,987,918 of 1-4-1 receipts has been used to partially fund the purchase or construction of properties. Any 1-4-1 receipts that are unspent after 5 years are to be returned to the Government with interest. The risk of returning any unspent 1-4-1 receipts is managed by closely monitoring all affordable housing schemes.
- 9.15 From the 1<sup>st</sup> April 2021 there were changes to the use of the Right to Buy 1-4-1 receipts that will make it easier for the Council to manage this resource. The changes include the time limit for use of receipts has been extended from 3 years to 5 years; the percentage that can be used to fund any expenditure on new affordable homes has increased from 30% to up to 40%; and the expenditure can now include shared ownership dwellings. This was as a result to responses to [Government consultation](#) on Right to Buy receipts.

## 10. Reserves

- 10.1 A full breakdown of the reserves is given in the Treasury Management Outturn report elsewhere in this agenda (FIN/575). A summary of the transfers is shown in the table below:

Reserves	Transfer To	Use of
	£000's	£000's
Vehicles and Plant	685	(68)
ICT Replacement	100	(10)
Specialist Equipment at K2 and Hawth	100	0
Total Renewals Fund		807
Capital Programme	203	(152)
HMO Licenses	25	0
Welfare Reform	0	(33)
Museum	0	(1)
Parks Investment Reserve	344	(76)
Business rates pool cycling	0	(13)
Covid 19 Expenses Reserve	172	0
Town centre & regeneration reserve	161	(31)
Vol. Sector Transition Funding	34	0
Health & Wellbeing	59	(6)
LDF	127	(147)
Risk Management	90	0
Transparency	8	(16)
EU Exit Funding	0	(247)
Town Funds	1,055	(1,144)
Transformation and Project Delivery	500	0
Garage Maintenance	169	0
Biodiversity Net Gain Grant	10	0
DEFRA Env. Health	17	0
Climate Emergency	7	0
Town Centre 75th Anniversary	5	0
Woodland Trust Forestry Work	27	0

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Town Hall Equalisation	150	0
Licensing New Burdens	14	0
Learning and Development	55	0
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Total Transfer to/(from) CBC Reserves		1,366
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Business Rates equalisation reserve	0	(13,859)
Business grants & isolation payments	167	(1,813)
<hr/>		
Total Transfer to/(from) Reserves		(14,139)

It is recommended that the above transfers are approved. Further explanation of some of these transfers is given below.

## 10.2 Business Rates Equalisation Reserve

£13,858,792 has been transferred from the reserve at the end of the year to bring the balance from £21,821,110 to £7,962,318. Whilst this is shown in useable reserves, it is not available for general use and will be used in future years to pay back the deficit on the Collection Fund which is held in an unusable reserve (the Collection Fund Adjustment Account). Business rates income for the year is estimated in January at the same time the council sets the budget. However, due to the coronavirus pandemic, the government gave a number of business rate reliefs to businesses – in the case of Crawley, this amounted to £14m. The government compensates local authorities for the impact of any changes that they make due to the Business Rates Retention Scheme. As this change was made so late in the day, this compensation (in the form of a s.31 grant) was paid to the billing authorities so that their cashflow was not negatively impacted. Now that the financial year 2021/22 is closed, the end position can be calculated, and the payments will be adjusted:

- The Council received s.31 grant in advance, part of which must not be paid back to the government. This has already been adjusted for in the 2020/21 accounts and there is a creditor on the balance sheet for £22m.
- The Collection Fund has a deficit of £6m – this is repaid by the precepting authorities over future financial years. Crawley's share of the deficit is shown the Collection Fund Adjustment Account and is £2.5m – due to be repaid in 2023/24.

## 10.3 Town Hall Equalisation Reserve

Due to delays in the construction of the new town hall some duplicate budgets such as business rates which have been built into the budget for 2021/22 were not required. It is difficult to budget for the running of the new town hall, particularly in forecasting when the upper floors will be let. As a result, this duplicate budget has been set aside to help with smoothing. This reserve will also be used in the future to smooth the budget for periods of voids.

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## 10.4 Parks Investment Reserve

Additional income received from Tilgate park and nature centre has been set aside to fund lake erosion works and development of the “hound ground”. Any surplus funds will be reinvested into parks.

## 10.5 Garage Maintenance

The in-year underspend on garage maintenance has been earmarked for the future rolling programme of capital works.

## 11. **Contain Outbreak Management Fund (COMF)**

11.1 An [urgent decision](#) was taken by the Chief Executive on 8<sup>th</sup> July 2021 in consultation with the leader of the Council to allocate £642,362 of grant funding: this was included on the Councillor Information bulletin, dated [13<sup>th</sup> July 2021](#). The grant is ring-fenced for public health purposes to tackle Covid-19, working to break the chain of transmission and to protect the most vulnerable.

11.2 The funding was made of two elements, £167,553.74 direct grant to the council and £474,808 allocated from [West Sussex County Council](#) for redistribution. The purpose of the grant is to provide support to the Councils, as detailed, towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19.

### Area/ Activity -

- Testing
- Tracing
- Compliance measures
- Communication and marketing
- Support for the clinically extremely vulnerable
- Support for wider vulnerable groups, including rough sleepers
- Support for those self-isolating
- Targeted intervention for specific cohorts within the community
- Specialist support i.e. behavioural science
- Utilisation of local sectors (Academic, volunteers etc.)
- Support for educational outbreaks
- Other.....

During quarter four, a further grant of £95,000 has been received from West Sussex County Council. This brings total COMF funding to £850,190. The allocation of total COMF grant is outlined below.

	<b>Spent during 2021/22</b>	<b>Carry forward to 2022/23</b>
Compliance measures	£70,053	£277,000
Support to the wider community including rough sleepers	£113,888	£315,249
Targeted intervention for specific cohorts within the community	£35,000	£39,000
<b>Total</b>	<b>£218,941</b>	<b>£631,249</b>

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- 11.3 The release of the grant is dependent on the County Council providing a monitoring return on how the COMF allocation has been used. There is also a requirement for Crawley Borough Council to report in the monthly Government 'Delta return' on Covid spend.

## 12. Background Papers

[Budget Strategy 2021/22 – 2025/26 FIN/508](#)  
[2021/2022 Budget and Council Tax FIN/514](#)  
[Treasury Management Strategy 2021/22 FIN/517](#)  
[Treasury Management Outturn for 2020/21 FIN/527](#)  
[Treasury Management Mid-Year Review 2021-2022 FIN/538](#)  
[2021/2022 Budget Monitoring – Quarter 1 FIN/531](#)  
[2021/2022 Budget Monitoring - Quarter 2 FIN/535](#)  
[2021/2022 Budget Monitoring – Quarter 3 FIN/554](#)  
[Crawley Homes Rent Overcharge DCE/11](#)

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Appendix 1 (i)

## REVENUE MONITORING SUMMARY 2021/22 GENERAL FUND

	Latest Budget £000's	Projected Outturn £000's	Variance £000's
Cabinet	951	1,218	<b>267</b>
Public Protection & Community Engagement	1,534	1,449	<b>(85)</b>
Environmental Services & Sustainability	5,282	5,303	<b>21</b>
Housing	5,967	6,129	<b>162</b>
Wellbeing	10,973	11,768	<b>795</b>
Planning & Economic Development	2,385	2,423	<b>38</b>
Resources	642	558	<b>(84)</b>
	<b>27,734</b>	<b>28,848</b>	<b>1,114</b>
Depreciation	<b>(4,046)</b>	<b>(4,046)</b>	<b>0</b>
Renewals Fund	807	807	<b>0</b>
<b>NET COST OF SERVICES</b>	<b>24,495</b>	<b>25,609</b>	<b>1,114</b>
Investment Interest	<b>(400)</b>	<b>(756)</b>	<b>(357)</b>
Minimum Revenue Provision	922	922	<b>0</b>
Interest Paid	117	<b>(39)</b>	<b>(156)</b>
Council Tax	<b>(7,411)</b>	<b>(7,411)</b>	<b>0</b>
RSG	<b>(60)</b>	<b>(60)</b>	<b>0</b>
NNDR	9,553	9,553	<b>0</b>
New Homes Bonus	<b>(1,108)</b>	<b>(1,109)</b>	<b>(1)</b>
Local Council Tax Support Grant	<b>(363)</b>	<b>(363)</b>	<b>0</b>
Lower Tier Services Grant	<b>(169)</b>	<b>(169)</b>	<b>0</b>
Sales, Fees & Charges Grant Q1	0	<b>(316)</b>	<b>(316)</b>
Use of Approved Coronavirus Budgets	0	<b>(941)</b>	<b>(941)</b>
Year End Financing	<b>(10,781)</b>	<b>(10,781)</b>	<b>0</b>
<b>Net contribution from / (-to) Reserves</b>	<b>14,795</b>	<b>14,139</b>	<b>(656)</b>
<b>Net contribution from / (-to) CBC Reserves</b>		<b>(1,366)</b>	
<b>Net contribution from / (-to) Other Reserves</b>		<b>15,505</b>	

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## Main Variations identified for 2021/22 - General Fund Appendix 1 (ii)

	Q4 Actual Variation £'000s	Covid Related Variation £'000s	Other Variation £'000s	Q3 Projected Variation £'000s
<b><u>Cabinet</u></b>				
Unrealised Car Allowance/Out of Hours Savings	100	0	100	100
Pay Award (1.75%) Provision	290	0	290	300
Insurance Tender Savings	(118)	0	(118)	(100)
Delay to Finance system upgrade	(37)	0	(37)	0
Minor Variations	32	0	32	37
	<b>267</b>	<b>0</b>	<b>267</b>	<b>337</b>
<b><u>Public Protection &amp; Community Engagement</u></b>				
Community Development Vacancies	(22)	0	(22)	(34)
Nuisance and anti-social behaviour vacancies*	(58)	0	(58)	(31)
Minor Variations	(5)	0	(5)	(6)
	<b>(85)</b>	<b>0</b>	<b>(85)</b>	<b>(71)</b>
<b><u>Environmental Services &amp; Sustainability</u></b>				
Parking Reduced Income	62	62	0	146
Port Health Reduced Income	127	127	0	105
Licensing Reduced Income	29	29	0	29
Public Conveniences rates refund	(51)	0	(51)	0
Shrub bed regeneration team vacancies	(88)	0	(88)	0
Street furniture, cleansing & graffiti removal underspends	(59)	0	(59)	0
Minor Variations	1	0	1	25
	<b>21</b>	<b>218</b>	<b>(197)</b>	<b>305</b>
<b><u>Housing</u></b>				
Homelessness Temporary Accommodation	171	171	0	178
Minor Variations	(9)	0	(9)	(17)
	<b>162</b>	<b>171</b>	<b>(9)</b>	<b>161</b>
<b><u>Wellbeing</u></b>				
PPE (Neighbourhood services)	25	25	0	40
Community Centres Reduced Income	107	107	0	254
K2 Crawley Reduced Income & Additional Support	952	952	0	915
Play vacancies	(45)	0	(45)	0
The Hawth Reduction in Management Fee	(270)	(270)	0	(51)
Minor Variations	26	0	26	67
	<b>795</b>	<b>814</b>	<b>(19)</b>	<b>1,225</b>
<b><u>Planning &amp; Economic Development</u></b>				
Commercial Property Income (Lease Renewals)	70	0	70	(119)

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Planning Reduced Income	110	42	68	83
Building Control Reduced Income	12	12	0	30
Property Built Environment Vacancies	(124)	0	(124)	(25)
Corporate Facilities Vacancies	(37)	0	(37)	0
Minor Variations	7	0	7	(16)
	<b>38</b>	<b>54</b>	<b>(16)</b>	<b>(47)</b>
<b>Resources</b>				
Legal Agency Staff Spend	62	0	62	48
Minor Variations	(146)	0	(146)	(50)
	<b>(84)</b>	<b>0</b>	<b>(84)</b>	<b>(2)</b>
<b>TOTAL GENERAL FUND VARIANCES</b>	<b>1,114</b>	<b>1,257</b>	<b>(143)</b>	<b>1,908</b>
Investment Interest	(512)	0	(512)	(622)
Sales, Fees & Charges Grant	(316)	(316)	0	(316)
Use of Approved Coronavirus Budgets	(941)	(941)	0	(1,113)
New Homes Bonus	(1)	0	(1)	0
<b>TOTAL VARIANCES</b>	<b>(656)</b>	<b>0</b>	<b>(656)</b>	<b>(143)</b>

\*previously reported within "Minor Variations"

# Agenda Item 7

Appendix 1 (iii)

## QUARTER 4

<b>HOUSING REVENUE ACCOUNT</b>			
<b>Expenditure Description</b>	<b>Latest Estimate</b> £'000s	<b>Outturn</b> £'000s	<b>Variation</b> £'000s
<b>Income</b>			
Rental Income	(46,906)	(43,448)	3,458
Other Income	(1,802)	(1,826)	(24)
Interest received on balances	(150)	(370)	(220)
<b>Total income</b>	<b>(48,858)</b>	<b>(45,644)</b>	<b>3,214</b>
<b>Expenditure</b>			
Employees	3,850	3,904	54
Repairs & Maintenance	11,606	11,955	349
Other running costs	2,143	2,042	(101)
Support services	3,096	3,096	0
	<b>20,695</b>	<b>20,997</b>	<b>302</b>
<b>Net (Surplus) / Deficit</b>	<b>(28,163)</b>	<b>(24,647)</b>	<b>3,516</b>
Use of Reserves:			
Debt Interest Payments	8,309	8,309	0
Depreciation transferred to Major Repairs Reserve	7,336	7,336	0
Surplus Transfer to Housing Reserve for Future Investment	12,518	9,002	(3,516)
<b>Total</b>	<b>28,163</b>	<b>24,647</b>	<b>(3,516)</b>

# Agenda Item 7

Appendix 1 (iv)

## Main Variations Identified - Housing Revenue Account

	Q4 Variation £'000s	Q3 Variation £'000s
<b>Income</b>		
Shared equity deferred receipt interest	(220)	(215)
Rent overcharge & increase in void properties	3,458	3,500
Minor variations	(24)	(7)
	<b>3,214</b>	<b>3,278</b>
<b>Employees</b>		
Pay award (1.75%) provision	60	60
Unmet vacancy provision	21	21
Agency staff	(30)	0
Minor variations	3	3
	<b>54</b>	<b>84</b>
<b>Repairs &amp; Premises Costs</b>		
Repairs & Maintenance increased demand and material cost	772	1,368
Difficulty accessing buildings for external redecorations/repairs	(469)	0
Additional fire safety inspections and testing	57	0
Minor variations	(11)	(7)
	<b>349</b>	<b>1,361</b>
<b>Other Running Costs</b>		
Voids contract cleaning	32	50
Ground maintenance project not completed in year	(121)	0
Unused consultancy budget no major procurement contracts in year. Likely to be used 22/23 upcoming contract/net zero work.	(46)	0
Legal fees for a disrepair claim	45	0
Minor variations	(11)	(5)
	<b>(101)</b>	<b>45</b>
<b>TOTAL VARIANCES</b>	<b>3,516</b>	<b>4,768</b>

Appendix 2

**Note**

Slippage is moving budgets between years. If the figure is not in brackets then we are moving the budget to future years, if it is in brackets we are bringing forward budgets from future years

**2021/22 Qtr 4 Capital Appendix**

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
<b>New Town Hall Redevelopment - Joint responsibility</b>	<b>21,453,975</b>	<b>20,813,505</b>	<b>0</b>	<b>640,470</b>
Manor Royal BID - Towns Fund	371,949	371,949		
Town Centre Fund				
Project Jupiter	150,837	150,837		
<b>Joint responsibility</b>	<b>21,976,761</b>	<b>21,336,291</b>	<b>0</b>	<b>640,470</b>
Garages	191,185	180,615		10,570
<b>Cabinet</b>	<b>191,185</b>	<b>180,615</b>	<b>0</b>	<b>10,570</b>

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
<b>6,140,470</b>	<b>0</b>	<b>0</b>	<b>0</b>
	410,000		
100,000	744,163		
<b>6,240,470</b>	<b>1,154,163</b>	<b>0</b>	<b>0</b>
510,571	200,000	338,897	
<b>510,571</b>	<b>200,000</b>	<b>338,897</b>	<b>0</b>

<b>Environmental Services and Sustainability</b>				
New Cemetery	18,694	16,164		2,530
Muslim Burial Ground Cemetery		13,150		(13,150)
Cycle Paths	25,300			25,300
Crawters / Manor Royal Cycle Path	65,665			65,665
Kingsgate Car Park	300,000	300,623	(623)	
District Heat Network Phase 2	94,950			94,950
Flooding Emergency Works	50,000	33,800		16,200
Telemetry Measuring Equipment	4,605			4,605
Crabbett Park Pound Hill Flood Works	33,000	32,647	353	
Leat Stream Ifield Flood Alleviation	7,289			7,289

2,530			
319,850			
25,300			
65,665			
94,950			
73,357	56,804		
4,605			
7,289			

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
Tilgate Lake Bank Erosion				
Water Course Work		35,400		(35,400)
Solar PV CBC Operational Buildings				
<b>TOTAL ENVIRONMENTAL SERVICES &amp; SUSTAINABILITY PORTFOLIO</b>	<b>599,503</b>	<b>431,784</b>	<b>(270)</b>	<b>167,989</b>

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
150,000			
80,925			
	60,000		
<b>824,471</b>	<b>116,804</b>	<b>0</b>	<b>0</b>

<b>Housing Enabling (General Fund)</b>				
Temp Accommodation Acquisitions	1,000,000	1,742		998,258
Affordable Housing Town Hall	2,131,298	2,158,798		(27,500)
Langley House				
Disabled Facilities Grants	1,000,000	954,880		45,120
Improvement/Repair Loans	25,000	18,296		6,704
<b>TOTAL HOUSING (GENERAL FUND) PORTFOLIO</b>	<b>4,156,298</b>	<b>3,133,716</b>	<b>0</b>	<b>1,022,582</b>

4,298,258	4,100,000		
	3,238,250		
70,000	430,000	1,200,000	1,700,000
1,000,000	909,537		
16,704	15,000		
<b>5,384,962</b>	<b>8,692,787</b>	<b>1,200,000</b>	<b>1,700,000</b>

<b>Planning and Economic Development</b>				
Manor Royal Business Group				
Crawley Fusion Innovation Centre	5,050,000	5,020,886		29,114
<u>Crawley Growth Programme</u>				
Queensway	92,322	76,239		16,083
Town Centre Signage and Wayfinding	10,000	10,529		(529)
Town Centre General				
Manor Royal Cycle Improvements				
Town Centre Western Boulevard (cycle improvements)	50,000	39,366		10,634
Manor Royal Super Hub				

	200,000		
2,629,114	1,000,000		
116,083			
11,487			
	71,100		
360,632	1,415,303		
960,307			
263,028			

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage	Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
	£	£	£	£	£	£	£	£
Station Gateway		19,228		(19,228)	231,491	1,588,172		3,176,344
Town Centre Super Hub								74,231
Town Centre Commercial space	95,000			95,000	2,457,000	3,543,000		
Three Bridges Station	12,425	10,434		1,991	493,658	958,186		
<b>Total Crawley Growth Programme</b>	<b>259,747</b>	<b>155,796</b>	<b>0</b>	<b>103,951</b>	<b>4,893,686</b>	<b>7,575,761</b>	<b>0</b>	<b>3,250,575</b>
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT PORTFOLIO</b>	<b>5,309,747</b>	<b>5,176,682</b>	<b>0</b>	<b>133,065</b>	<b>7,522,800</b>	<b>8,775,761</b>	<b>0</b>	<b>3,250,575</b>
<b>Resources</b>								
Gigabit					1,350,000			
ICT Capital - Future Projects	40,000			40,000	108,079			
New Website And Intranet	1,170	1,170			52,406			
Digital Works					10,000			
ICT Transformation Future					75,000			
Unified Communications/Telephony	17,593	17,593						
Power and UPS						20,000		
ICT Cloud	314,000	163,976		150,024	300,024			
Income Management System	60,000			60,000	60,000			
Commercial Property System	25,000	22,824		2,176	2,176			
Sharepoint	50,000			50,000	50,000			
Agile Working	20,000			20,000	120,000			
Channel Shift	15,000			15,000	51,000			
Legal Case Management System	35,000	10,400	24,600					
Hardware Renewals	100,000			100,000	100,000			
<b>TOTAL RESOURCES PORTFOLIO</b>	<b>677,763</b>	<b>215,963</b>	<b>24,600</b>	<b>437,200</b>	<b>2,278,685</b>	<b>20,000</b>	<b>0</b>	<b>0</b>

<b>Wellbeing</b>								
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Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
Vehicle Replacement Programme	168,077	141,489		26,588
Refurb Playgrounds Future Schemes				
Skate Park Equipment				
Memorial Gardens Improvements				
Tilgate Park	130,643	125,874		4,769
Nature & Wildlife Centre	121,703	75,798		45,905
Allotments	40,000			40,000
Adventure Playgrounds	275,000	60,670		214,330
Memorial Gardens Play Improvements				
Meadowlands				
Chichester Close	45,000	43,195	1,805	
Dormans Play Area	35,447	34,854	593	
Newbury Road	38,131	36,855	1,276	
Ninfield Court	15,000	13,850	1,150	
Rushetts Road	9,923	8,561	1,362	
Southgate Playing Fields	47,619			47,619
Perkstead Court Play Area Bewbush	20,000			20,000
Park Tennis				
Halley Close Play				
Curteys Walk Play				
Brideake Play				
Wakehams Play				
Puffin Road Play				
Browness Close Play				
Plantain Crescent Play				
Hawth Agreement	400,000	400,000		

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
232,001			
39,360			
46,000			
33,400			
4,769			
45,905			
45,000	40,000		
339,330			
16,933			
65,000			
50,851			
20,000			
160,460			
15,000			
15,000			
17,000			
55,000			
	18,000		
	18,000		
	15,000		

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
Broadfield 3G Lighting				
K2 Crawley Replacement Chiller				
<b>TOTAL WELLBEING PORTFOLIO</b>	<b>1,346,543</b>	<b>941,146</b>	<b>6,186</b>	<b>399,211</b>

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
45,000			
155,000			
<b>1,401,009</b>	<b>91,000</b>	<b>0</b>	<b>0</b>

<b>TOTAL GENERAL FUND</b>	<b>34,257,800</b>	<b>31,416,197</b>	<b>30,516</b>	<b>2,811,087</b>
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<b>24,162,968</b>	<b>19,050,515</b>	<b>1,538,897</b>	<b>4,950,575</b>
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Housing - HRA (Crawley Homes)				
<b>Improvements -</b>				
Decent Homes	5,391,027	5,198,984		192,043
Renovations	1,103,552	1,020,623		82,929
Insulation	1,348,959	1,073,846		275,113
Renewable Technology/Carbon Efficiency	50,000	31,380		18,620
Compliancy Works	553,087	631,295		(78,208)
Boilers & Heating	787,067	618,262		168,805
Electrical Test & Inspection	536,912	412,564		124,348
Adaptations For The Disabled	830,000	709,429		120,571
Hostels	50,000	62,008		(12,008)
<b>TOTAL HRA IMPROVEMENTS</b>	<b>10,650,604</b>	<b>9,758,391</b>	<b>0</b>	<b>892,213</b>

4,992,043	2,300,000	2,300,000	
732,929	650,000	650,000	
2,775,113	2,200,000	2,200,000	
268,620	250,000	250,000	
1,671,791	1,450,000	1,450,000	
1,668,805	1,800,000	1,800,000	
474,348	350,000	350,000	
1,370,571	1,300,000	1,300,000	
187,992	200,000	200,000	
<b>14,142,212</b>	<b>10,500,000</b>	<b>10,500,000</b>	<b>0</b>

Other HRA (Crawley Homes)				
HRA Database	106,475	174,559	(68,084)	
151 London Road (New Build)	27,492	27,492		
Bridgefield House	28,659	(24,117)		52,776
Acquisition Of Land Or Dwellings	578,250	80,000		498,250
Kilnmead	6,555	1,599	4,956	
Forge Wood				

293,273			
52,776			
298,250	2,000,000		
		1,235,389	1,904,632

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
Telford Place Development	48,924	40,451		8,473
Woolborough Road Northgate	109	109		
Goffs Park - Depot Site	2,969	2,969		
83-87 Three Bridges Road	996	996		
Barnfield Road	6,902	6,902		
Forge Wood Phase 2	4,374,694	3,425,553		949,141
Forge Wood Phase 4	152,161	152,161		
Purchase Of Properties				
5 Perryfields	28,041	13,041		15,000
Carey House		59,338		(59,338)
Fairlawn House	10,000	2,866		7,134
Milton Mount Major Works	874,196	115,235		758,961
Breezehurst Phase 2	34,740	25,215		9,525
Orchards Hostel				
Contingencies	164,459		(4,956)	169,415
Prelims	121,434	64,493		56,941
<b>TOTAL OTHER HRA</b>	<b>6,567,056</b>	<b>4,168,862</b>	<b>(68,084)</b>	<b>2,466,278</b>

<b>TOTAL HRA</b>	<b>17,217,660</b>	<b>13,927,253</b>	<b>(68,084)</b>	<b>3,358,491</b>
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<b>TOTAL CAPITAL PROGRAMME</b>	<b>51,475,460</b>	<b>45,343,450</b>	<b>(37,568)</b>	<b>6,169,578</b>
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#### FUNDED BY

Capital Receipts	(20,027,876)	(17,628,005)	270	(2,400,141)
Capital Reserve	(152,007)	(152,007)		
Better Care Fund (formally DFGs)	(1,000,000)	(954,880)		(45,120)

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
115,973	7,670,300	3,510,167	9,350,816
2,550,414			
194,234	3,514,583	4,825,064	3,900,000
2,700,000	800,000		
50,000	394,000	153,694	8,924
69,821			
207,134			
1,606,870			
945,961	5,663,733	8,000,000	211,320
21,000	317,485		
169,415		1,137,311	
424,624			
<b>9,699,745</b>	<b>20,360,101</b>	<b>18,861,625</b>	<b>15,375,692</b>

<b>23,841,957</b>	<b>30,860,101</b>	<b>29,361,625</b>	<b>15,375,692</b>
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<b>48,004,925</b>	<b>49,910,616</b>	<b>30,900,522</b>	<b>20,326,267</b>
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(5,716,329)	(8,110,160)		(1,223,465)
(152,406)	(744,163)	(314,000)	(586,000)
(1,000,000)	(909,537)		

Scheme Description	Budget 2021/22	Outturn	Under / (Over Spend)	Slippage
	£	£	£	£
External Funding	(5,358,076)	(9,918,380)		4,560,304
HRA Revenue Contribution	(15,803,257)	(12,426,660)	68,084	(3,444,681)
Replacement Fund/Revenue Financing	(1,220,562)	(408,302)	(24,600)	(787,660)
Section 106	(319,281)	(195,826)	(6,186)	(117,269)
1-4-1	(3,094,401)	(3,659,390)		564,989
Borrowing	(4,500,000)			(4,500,000)
<b>TOTAL FUNDING</b>	<b>(51,475,460)</b>	<b>(45,343,450)</b>	<b>37,568</b>	<b>(6,169,578)</b>

Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years
£	£	£	£
(7,138,746)	(2,779,344)		(3,076,344)
(21,001,905)	(23,963,053)	(22,462,363)	(9,225,415)
(2,863,134)	(200,000)	(338,897)	
(1,016,469)	(481,000)	(886,000)	(64,766)
(2,650,050)	(8,623,359)	(6,899,262)	(6,150,277)
(6,465,886)	(4,100,000)		
<b>(48,004,925)</b>	<b>(49,910,616)</b>	<b>(30,900,522)</b>	<b>(20,326,267)</b>

# Agenda Item 12

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

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

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