

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, 21 November 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, Y Khan, R A Lanzer, A Pendlington, S Piggott, S Pritchard and S Sivarajah

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

Part A Business (Open to the Public)

	Pages
1. Apologies for Absence	
2. Disclosures of Interest and Whipping Declarations	
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.	
3. Minutes	5 - 12
To approve as a correct record the minutes of the Overview and Scrutiny Commission held on 31 October 2022.	
4. Public Question Time	
To answer any questions or hear brief statements from the public which are relevant to the items on this agenda. The period will end after 15 minutes or later at the Chair's discretion.	
5. Review of the Statement of Licensing Policy (Gambling) Gambling Act 2005 (2023 - 2025)	13 - 78
To consider report HCS/050 of the Head of Community Services.	
6. Budget Strategy Mid-Year Review 2022	79 - 92
To consider report FIN/596 of the Head of Corporate Finance.	
7. 2022/2023 Budget Monitoring - Quarter 2	93 - 110
To consider FIN/594 of the Head of Corporate Finance.	
8. Treasury Management Mid-Year Review 2022-2023	111 - 120
To consider report FIN/593 of the Head of Corporate Finance.	
9. UK Shared Prosperity Fund	121 - 162
To consider report DCE/14 of the Deputy Chief Executive.	
10. Forthcoming Decision List - and Provisional List of Reports for the Commission's following Meetings	
To consider any requests for future items . Those highlighted items have been referred to the Commission.	

OSC 9 Jan Cabinet 11 Jan 2023

OSC 30 Jan Cabinet 1 Feb 2023

2023/2024 Budget and Council Tax PFD
Treasury Management Strategy 2023-2024 PFD
2022/2023 Budget Monitoring - Quarter 3
Irrecoverable Debts 2022-2023 (Over £50,000)

OSC 6 March Cabinet 8 March 2023

11. Supplemental Agenda

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

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Crawley Borough Council

Minutes of Overview and Scrutiny Commission

Monday, 31 October 2022 at 7.00 pm

Councillors Present:

T G Belben (Chair)

K Khan (Vice-Chair)

M L Ayling, I T Irvine, Y Khan, R A Lanzer, A Pendlington, S Piggott, S Pritchard and S Sivarajah

Also in Attendance:

Councillor B J Burgess, R D Burrett, G S Jhans, M G Jones and A Nawaz

Officers Present:

Ian Duke	Deputy Chief Executive
Heather Girling	Democratic Services Officer
Louise Skipton-Carter	Sustainability Manager
Clem Smith	Head of Economy and Planning
Hamish Walke	Principal Planning Officer
Ian Warren	Senior Planning Officer

Apologies for Absence:

Councillor H Hellier

1. Disclosures of Interest and Whipping Declarations

No disclosures or whipping of interests were made.

2. Minutes

The minutes of the meeting of the Commission held on 3 October 2022 were approved as a correct record and signed by the Chair.

3. Public Question Time

No questions from the public were asked.

4. Proposals to Introduce New Conservation Areas and Change Existing Conservation Area Boundaries

The Commission considered report [PES/419](#) of the Head of Economy and Planning on Proposals to Introduce New Conservation Areas and Change Existing Conservation Area Boundaries. The report sought to implement changes in respect of the designation of Conservation Areas within Crawley, further to consultant recommendations and public consultation, including: The designation of two new Conservation Areas; Changes to the boundaries of the High Street and St Peter's Conservation Areas.

During the discussion with the Cabinet Member for Planning and Economic Development, Head of Economy and Planning, Senior Planning Officer and Principal Planning Officer, the following comments were made:

- Recognition that Conservation Area designation would enable the Council as Planning Authority to work with developers, stakeholders and planning applicants to preserve and enhance Crawley's New Town character as a real design asset to attract investment and improve the quality of the business and living environment in Crawley Town Centre.
- Acknowledgement that there were advantages to the implementation of the Conservation Areas:
 - The proposals would give additional parts of the borough nationally recognised status as heritage assets.
 - The proposals would be expected to have positive economic effects overall. There was likely to be some additional costs for developers/site owners associated with development in the Conservation Areas (e.g. planning application fees). It was, however, considered that these would be more than offset by the overall scheme and effects of a more distinctive, higher quality and carefully managed environment, which would ultimately be more attractive to residents, visitors and investors.
 - The environmental impacts were considered to be positive overall, and this was further clarified, as by encouraging the re-use and repurposing of existing elements of the built fabric, Conservation Area designation would promote the efficient use of the carbon embodied in buildings within the Conservation Areas.
- However, it was also recognised that there were some changes that would be required should the proposal be granted, including:
 - The regulations and permission required for certain types of work to a property, including cladding of the external walls of houses and works to trees, are different in conservation areas.
- Without a Conservation Area, there was a risk of inappropriate development with poor quality design, potentially as a result of permitted development rights in the Town Centre. It was noted that Conservation Areas were mainly a facilitator for protecting and enhancing historic environments, regeneration and restoring planning controls, which would ultimately enhance Crawley's identity.
- Explanation was sought on the Article 4 Direction (non-immediate) process, which can only be adopted following a consultation period, with at least 12 months' notice of it coming into force and is subject to central government agreement. It was noted that Conservation Area designation does not take away all permitted development rights. There were still legal implications to be adhered to, but the implementation of the proposals would help to secure the preservation and

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enhancement of Crawley's historic environment in accordance with legislation, national planning policy and best practice.

- It was noted that as part of the consultation whilst there was endorsement for the proposal, some responses were not supportive and had raised concerns regarding heritage significance. It was queried if there was a risk that additional controls could deter investment.
- Acknowledgement that similar Conservation Areas existed within other towns and these establishments had resulted in additional opportunities to bid for significant grant funding for heritage-related regeneration and improvements.
- It was remarked that there was a small number of 20th century conservation areas in the UK and 11 were established in Crawley.

Non-Commission Members were then invited to speak. Councillors Burgess and Burrett spoke on various aspects including:

- The George Hotel in the High Street, as well as how buildings would be maintained in the future
- General support of the Conservation Areas proposals and it was pleasing to see other Conservations Areas existing in other towns.
- Acknowledgment that there had been an original objection from the Town Centre BID and it was queried if other Conservation Areas had been approved in towns without the support of the Business Improvement District.
- The proposal for Gossops Green was similar to Southgate which had previously been designated and it would be beneficial to ascertain any feedback obtained from Southgate residents following the Conservation Area status.

The Commission Chair then invited the Leader to comment on the item who highlighted that the proposal was intended to preserve, maximise, and optimise the town centre and recognise the heritage, as well as identifying opportunities for improvements. Options had been considered and consulted upon but it was deemed that a Conservation Area would enable this by providing residents and the Council the control of the planning and the development of the Town Centre.

The Commission Members then held further consideration, focusing on any views to be specially highlighted to the Cabinet.

- Recognition that communication with stakeholders, partners and developers was key as this would result in improved quality designs and also investment. Clarification was sought as to the original objection from the Town Centre BID and the current status. It was remarked that there was an ongoing dialogue between the two parties. It was requested that a confirmed response regarding the Town Centre BID's position be obtained for the Cabinet meeting.
- Concerns were raised about any risks associated with the proposals, (eg stakeholders, investment, public perception) should be documented. It was moved by Councillor Lanzer (seconded by Councillor T Belben) that a risk assessment document be compiled containing risks and mitigations in relation to the proposals. A vote was taken and upon being put to the Commission, the proposal was declared as carried

RESOLVED

That the Commission noted the report and requested that the views expressed during the debate, were fed back to the Cabinet through the Commission's Comment sheet, with the additional recommendation above.

5. Climate Emergency Action Plan Update

The Commission received an update on the Climate Emergency Action Plan from the Cabinet Member for Environmental Services and Sustainability, the Head of Economy and Planning and the Sustainability Manager. It had been agreed that following the completion of the Climate Change Scrutiny Panel, that the Overview and Scrutiny Commission would receive regular updates on the Climate Emergency Action Plan.

The Council declared a Climate Emergency in July 2019 and has since pledged to reduce carbon emissions from its workings and activities by at least 50% by 2030 and to zero by 2040 at the latest. It has been working to reduce its carbon emissions since 2009, most recently through the Carbon and Waste Reduction Strategy 2012 – 2050.

Core Principles for Action:

The Council's carbon emissions can be grouped into six key areas for action within each of which there are a number of core principles that are critical to the successful delivery of the Council's carbon reduction targets.

1. Energy Use – demand reduction & low carbon heat and cooling.
2. Renewable Energy & Storage.
3. Low Carbon Transport – demand reduction & transition to low carbon modes.
4. Waste & Water – reduction (linked to procurement), recognising the hierarchy of practice.
5. Procurement - supply chain tracing to minimise and reuse, develop 'closed loops' and sustainable sourcing for products and services.
6. Green & Blue Infrastructure – natural systems for biodiversity and carbon stores.

The core principles for carbon reduction within each key area should be considered as underpinning development of the detailed actions in the Climate Emergency Action Plan, guiding the direction and timeframe for future work.

The presentation has been attached as Appendix A to these minutes.

During the discussion Councillors made the following comments:

- Confirmation provided as to the Climate Emergency Board members.
- Clarification sought and obtained as to whether carbon usage was monitored for home working. Similarly, it was queried if when moving applications and systems to cloud whether the carbon emissions from the suppliers and partners was measured.
- Acknowledgement that under provision of electric vehicle charge points in car parks, particularly in the town centre, was a deterrent for take up of electric vehicles as only a small percentage of residents have off-street parking. It was noted the infrastructure was important and the EV charging network contract was in place in partnership with WSCC to install a network of charging points across the town which was currently being rolled out following a consultation exercise.
- Acknowledged that solar PV was being considered as part of the building energy audits and retrofit plans for Council assets.
- Query sought as to how much had been saved by the council (particularly in relation to councillors) reducing paper and operating in a paperless environment.
- Recognition that procurement played a key role reducing in carbon dioxide emissions through to the supply chain, which included construction projects,

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manufacturing of goods and services. It was important to work with partners to reduce carbon emission reductions throughout the supply chain.

- Explanations sought and obtained on the car mileage reimbursement rates for staff and Councillors, together with the status ratings within the action plan.
- A review was currently taking place in Neighbourhood Services whereby they would transition machinery from fossil fuel use and operate non-power tools in some instances.
- Recognition that there was a phase out of biocides and review of the use of alternative options together with the costs to reduce glyphosate use in Neighbourhood patch areas. With regards to the green and blue infrastructure the natural land and water environment would be healthier (without contamination) by the reduction of chemical usage.
- Recognition that the Council offered various options in terms of supporting its staff with low carbon transport options (cycle to work scheme, public transport discounts) and had developed a staff travel action plan to enable a further reduction in single occupancy car journeys.
- It was noted that there was both a climate and ecological emergency, with ecological destruction likely to be just as damaging as humanity. As well as affecting the quality of life and health, nature also sequesters carbon in its trees and soils so there is a need to protect and enhance the natural environments and maximise opportunities for biodiversity net gain.
- Recognition that there was a need to encourage and influence behaviour change and the council should be leading on this. Communications and engagement would be key to engage and influence staff, councillors and externally with residents and stakeholders. It was felt that training being offered to staff was paramount as too was that to councillors to ensure a consistent approach and message.

RESOLVED

That the Commission noted the report, with the views expressed being acknowledged and documented by the officers. It was agreed that the Commission receives an annual update on the action plan.

6. Cabinet Member Discussion with the Cabinet Member for Environmental Services and Sustainability

The Commission noted the update given by Councillor Jhans and questioned him on a variety of issues relating to his [portfolio](#).

The following topics were discussed:

- Clarification sought on the authorised establishment and the actual numbers of both the Community Wardens and Civil Enforcement Officers. It was acknowledged the Community Wardens had recently gained additional responsibility and whilst a small team had multiple areas to cover. There would shortly be a review underway with the Cabinet Member for Wellbeing to consider the remit and role of the Community Wardens.
- Acknowledgement that in terms of the Climate Change agenda, this was a collaborative approach which would be fundamental to tackling the issue. It was felt engagement was important in order to influence behaviour change. Each individual had a responsibility to promote a positive message.
- Clarification was sought and obtained on the Patrol Adjudication Committee. Local authorities who undertake civil parking enforcement were required by statute to make provision for independent adjudication.
- Confirmation that transport made up to 1/3 of emissions and the EV charging network was currently being rolled out across the town. There was an awareness

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that the infrastructure needed to be in place in order for the EV charging to be successful.

RESOLVED

That the Overview and Scrutiny Commission thanked Councillor Jhans for attending and for the informative discussion that had ensued.

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

The Commission confirmed the following reports:

21 November 2022

Budget Strategy Mid-Year Review 2022

2022/2023 Budget Monitoring - Quarter 2

Treasury Management Mid-Year Review 2022-2023

Review of Statement of Licensing Policy - Gambling Act 2005 (2023 – 2025)

UK Shared Prosperity Fund – Provisional Referral


Closure of Meeting

With the business of the Overview and Scrutiny Commission concluded, the Chair declared the meeting closed at 10.04 am

T G Belben (Chair)

Climate Emergency Action Plan

Progress Update



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Our commitment

- Climate Emergency Declaration
- Scrutiny Panel report
- Climate Emergency Action Plan agreed

Aim

- at least 50% reduction by 2030
- net zero by 2040 at the latest



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Climate Emergency Action Plan

- Overarching actions
- Key areas for action across our operations
 1. Energy Use
 2. Renewable Energy & Storage
 3. Low carbon transport
 4. Waste & Water
 5. Procurement
 6. Green & Blue Infrastructure




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Progress – overarching actions

Action	Status	Progress
Climate Emergency Board	Green	Chaired by Chief Executive Meeting bi-monthly since April 2022
Monitoring Framework	Green	Annual Audit of Carbon Emissions Decision making tool being tested on live projects (CPAG)
Funding Plan	Yellow	Six monthly update to OSC Being incorporated into existing budgets for 2023/24
Staff Climate Literacy	Yellow	Proposal in development Some Staff attended WSCC/LGA carbon literacy training
Communications & Influencing	Green	LGA training offer for members Staff communications programme Residents communications plan




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Progress – Energy Use

Principles for Action

- Reduce energy demand
- low carbon/zero heat and cooling
- Cut our carbon legacy
- Support innovation tech and design




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Progress – Energy use – own estate

Action	Status	Progress
Commence development of estate wide carbon reduction plan	Green	Review of energy performance of 200 assets started. Identify priority buildings for retrofit
Link carbon reduction plan to maintenance plan	Green	Specialist member of staff to lead project (growth bid) Professional training for Building Surveyor & Built Environment Manager
Reduce energy use through transformed working practices	Yellow	Reviewing impact of behaviours in the workplace
Low carbon heat – plan switch from gas	Green	Considered as part of building energy audits
Zero carbon new build	Yellow	Will form part of brief for new build projects Financial viability will need to be considered




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Progress – Energy Use – Crawley Homes

Action	Status	Progress
Energy Efficiency Programme	Green	£889K SHDF Wave 1 funding secured to undertake external wall insulation to timber frame properties £4m for cavity wall insulation (Towns Fund) - 1151 flats over 4 years
Net Zero Collective	Green	Funding application just submitted - £3m SHDF Wave 2 Completed deep retrofits for 14 properties – saving tenants money Next retrofit will be 'show home' for training and education (Southgate)
Retrofit action plan for social housing portfolio	Yellow	Underway developing plan using current principal contractors To meet zero carbon target need to retrofit 428 homes per year at £30K




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Progress – Renewable Energy & Storage

Principles for Action

- Invest in renewables on CBC estate
- Support with battery and thermal storage
- Consider investment in off-site renewables - national or community networks




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Progress – Renewable Energy

Action	Status	Progress
Investigate Solar PV and battery storage on own estate	Yellow	Being considered as part of the building energy audits and retrofit plans
Crawley Homes – Additional PV and battery storage in communal blocks	Yellow	Battery storage trial has shown blocks can become 96% off grid power. Potential to roll out to 7 further blocks.
Manor Royal Local Energy Community	Green	Local Energy Community being formed – launch in Jan 2023
Planning Developments	Yellow	First Solar PV projects – Spring 2023 Planning Officers flagging Solar PV opportunities as part of pre-apps and planning process




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Progress - Low carbon transport

Principles for Action

- Reduce total mileage
- Necessary transport is low carbon
- Always prioritise active and shared travel
- Rationalise and decarbonise tools and machinery




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Progress – Low Carbon Transport

Action	Status	Progress
Reduce transport mileage	Green	Staff travel action plan produced Develop work travel policy Implementation with move to New Town Hall
Deliver updated Fleet Replacement Strategy	Yellow	Being considered as part of vehicle replacement strategy Infrastructure requirements being assessed
Contractor Fleets	Green	Working with delivery partners to collaborate and support the transition of fleet by 2030
Waste Fleet	Yellow	Options for waste fleet transition being considered




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Progress – Low Carbon Transport

Action	Status	Progress
Transition machinery from fossil fuel use	Yellow	Work started Options appraisal – fast roads mechanical sweeping service Sustainable plant borders to be pruned with non-power tools Autumn/Winter 22
Staff Commute	Yellow	Staff travel action has been produced Implementation to start on moving to the New Town Hall.
Planning Developments	Green	Officers continue to work with site developers to promote low / no parking and sustainable transport alternatives.



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Progress – Waste & Water

Principles for Action

- Prioritise minimising material resource use
- Reduce waste creation by following the waste hierarchy: resource reduction and reuse before recycling
- Circular economy
- Minimise water use, use waste water



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Progress – Waste & Water

Action	Status	Progress
Paper use reduction	Green	Channel Shift programme delivering automation Eg 'Report a Problem / Streetscene works'
Local Plan Policy – reduced water consumption	Green	agreement in principle that the Crawley Local Planning Authority should make the case for a reduced water consumption level of 85 litres per person per day.

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Progress - Procurement

Principles for Action

- Minimise carbon emissions throughout supply chain
- Support supplier and partner good practice, including financial services and investments
- Sustainable sourcing for biodiversity
- Reliable monitoring
- Avoid disposables



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Progress – Procurement

Action	Status	Progress
Mandate carbon emissions reporting from suppliers	Yellow	Project started with other partners in joint procurement service
Procurement requirements to include criteria on carbon savings	Yellow	Need to review environmental criteria in Social Value Charter Starting to incorporate new quality questions on carbon commitments in new procurements
Avoid disposable products	Red	Baseline inventory of disposable use to be undertaken after move to New Town Hall
Cloud based servers	Yellow	Continuing to move applications and systems to cloud and virtualising other hardware.

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Crawley's Principles for Action

6. Blue and green infrastructure

- Enhance our natural land and water environment
- Seek improved biodiversity
- Seek natural carbon sequestration
- Establish natural climate change mitigation and adaptation measures



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Progress – Green & Blue Infrastructure

Action	Status	Progress
Wildflower meadows	Green	Increased areas of natural meadow created on playing fields and Goffs Park Pitch & Pult course Anniversary gardens, West Green, and areas of Tilgate Park and Worth Park introduced new wildflower sites
Recycling plants and recycling green waste as mulch	Green	Autumn 2022 - work to increase our plant stock by dividing existing plants and using in new locations. Cost benefits to be confirmed. Recycled mulch used to suppress weeds and enrich soils more widely

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Progress – Green & Blue Infrastructure

Action	Status	Progress
Rapid phase out of all biocides.	Yellow	Woodchips and mulch to suppress weeds without using chemicals
Review use of any other chemicals.	Yellow	Reduced the use of glyphosate in Tilgate Park and Goffs Park by 80% in 2022, only spot treating of hogweed and knotweed Worth Park continues to use no herbicides Winter 2022/23 will focus on exploring alternative options and costs to reduce glyphosate use in Neighbourhood patch areas
Develop plan to Increase Tree Planting	Yellow	Tree planting strategy being drafted Community Woodland, Tilgate Park

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Any questions?



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Agenda Item 5

Crawley Borough Council

Report to Overview and Scrutiny Commission
21 November 2022

Report to Cabinet
23 November 2022

Review of the Statement of Licensing Policy (Gambling) **Gambling Act 2005 (2023 – 2025)**

Report of the Head of Community Services – **HCS/050**

1. Purpose

- 1.1 To inform the Cabinet of the representations received following an 8 week public consultation period between Monday 22nd August 2022 – Monday 17th October 2022 on the proposed revised Statement of Licensing Policy (Gambling) for the period 2023-2025.
- 1.2 To consider, and either accept or reject, the amendments to the proposed revised Statement of Licensing Policy (Gambling) for the period 2023 – 2025 without inclusions from consultation feedback, since the feedback related to matters under the jurisdiction of a separate body, the Gambling Commission.
- 1.3 To ask Cabinet to recommend that the proposed revised Statement of Licensing Policy (Gambling) for the period 2023-2025 as set out in **Appendix A** is approved and adopted by 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 in respect of this matter.

- 2.2 To the Cabinet

The Cabinet is recommended to:

- a) Consider the feedback received following the consultation and consideration of the Licensing Committee (as set out in Section 8 of this report).
- b) Request that Full Council approves, adopts and authorises for publication the proposed revised Statement Licensing Policy (Gambling) for the period 2023-2025 as set out in Appendix A, or as modified by Cabinet.

3. Reasons for the Recommendations

- 3.1 It is a statutory requirement under the Gambling Act 2005 for a Licensing Authority to prepare and publish a Statement of its Licensing Policy every three years. The Council is the Licensing Authority for gambling matters in the borough of Crawley. It is therefore necessary to agree and develop the proposed Statement of Licensing Policy (Gambling Act) to discharge the Council's role in its capacity of Licensing Authority for the 3 year period 2023 – 2025.

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- 3.2 To ensure the Council's Statement of Licensing Policy (Gambling) is revised and published for the coming 3 years as required by Section 349 of the Gambling Act 2005 and that this is done in accordance with procedures, legislative requirements and is compliant with statutory guidance regarding consultation.

4. Background

- 4.1 Section 349 of the Gambling Act 2005 (the 'Act') requires the Council as Licensing Authority for gambling matters to prepare and publish a statement of the principles that it proposes to apply in exercising its functions under the Act in the coming 3 year period, 2023 – 2025.
- 4.2 A number of specific matters must be considered and determined within the Policy in order that the provision of betting, gaming and lotteries within the Borough is provided in a manner that promotes the three statutory gambling Licensing Objectives. These are:
- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.
 - Ensuring that gambling is conducted in a fair and open way.
 - Protecting children and other vulnerable persons from being harmed or exploited by gambling.
- 4.3 There is comprehensive statutory guidance published by the Gambling Commission which has been used in the preparation of this report and includes guidance in respect of preparing, revising and publishing a Statement of Licensing Policy (Gambling) (the 'Policy'). The Policy provides a framework for decision making and the Council as Licensing Authority for gambling matters must have regard to the Statutory Guidance when discharging its functions under the Act.

5. Description of Issue to be resolved

- 5.1 The Council is responsible for the issuing of licences for premises that are covered by the Act. Licences for operators and game types together with controls concerning gambling machines are dealt with directly by the Gambling Commission. The Council must have regard to the Gambling Act 2005, statutory guidance and its own Policy when issuing any licence for a premises.
- 5.2 The Council has statutory requirement review its Policy at least every 3 years and the proposed revised Policy at Appendix A is designed to cover 2023 – 2025, but also may be revised during this period in light of any changes to legislation or practice.

6. Information & Analysis Supporting Recommendation

- 6.1 Before publishing its Statement of Licensing Policy (Gambling) for any three-year period the Council must consult the persons listed in Section 349(3) of the Act namely:
- The Chief Officer of Police
 - One or more persons who appear to the Council to represent the interests of persons carrying on gambling businesses in the borough.
 - One or more persons who appear to the Council to represent persons who are likely to be affected by the exercise of the Council's functions under the Act.
- 6.2 The Statutory Guidance states that the list of persons to be consulted is deliberately wide so as to allow licensing authorities to undertake a comprehensive consultation exercise with anyone who may be affected by or otherwise have an interest in the Statement of Licensing Policy (Gambling).

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6.3 The public consultation period lasted for a period of 8 weeks between Monday 22nd August 2022 – Monday 17th October 2022. This included posting a copy of the document on the Council’s website together with issuing notification was also sent to a range of individuals and bodies, including all Councillors, Chief Officer Police, noted Responsible Authorities, various gambling bodies and representatives of licensed premises in the Borough. All Members of the Licensing Committee were directly consulted as part of the process and the proposed revised Policy discussed at a Full Licensing Committee on 7th November 2022.

6.4 The proposed revised Statement of Licensing Policy (Gambling) is included at **Appendix A**.

7. Summary of Revisions

7.1 It should be noted that there have been no legislative, regulatory or guidance changes since the Council’s last Statement of Licensing Policy (Gambling) for the period 2020-2022 was published, which is still in force but due to expire at the end of January 2023. It has not been the subject of any legal challenge or complaint during that time.

7.2 When preparing the proposed revised Statement of Licensing Policy (Gambling), officers have carefully considered the contents of the current Policy specifically against the 5th edition of the Statutory Guidance issued by the Gambling Commission in September 2015 with parts 17, 18 and 19 updated September 2016. The proposed Policy continues to be consistent with the latest statutory guidance

7.3 The proposed revised Statement of Licensing Policy (Gambling) has been re-drafted and updated where possible to make it easy to understand and to improve accessibility. Furthermore, it now reflects the “standard format” expected by the Gambling Commission in connection with the Act. Each section is now numbered, with sub-headings and paragraphs, making it easier to locate topics and refer to information.

7.4 The proposed revised Statement of Licensing Policy (Gambling) provides:

- Revised details of the local area and consideration of local strategies and policies in the consultation and decision making process
- New paragraphs on “problem gambling.”
- Additional information regarding Responsible Authorities, Interested Parties and the designation of the West Sussex Safeguarding Board to advise the Council as Licensing Authority on safeguarding issues.
- Additional information on the Exchange of Information and sharing of details with Regulatory Partners, including via the Primary Authority Scheme.
- Additional information on enforcement and compliance.
- Additional information on the Council as Licensing Authority, decision making process and delegation of functions.
- Additional information on premises to be licenced and operated in the Borough, inclusive of a section to reiterate that the Council has not made a resolution to prohibit casinos.
- Additional information on the Licensing Objectives and steps to promote such, including local risk assessments, staff training and licence conditions.
- Additional information on the Review process
- Additional information on permits, temporary permissions and gambling in licensed premises

Agenda Item 5

- Appendices revised to reflect local changes and the inclusion of additional information relating to categories of machines, fees and a revised glossary of terms to maximise accessibility and understanding.
- 7.5 Revisions to the Act were expected in the autumn of 2020, however, delays largely caused by the disruption associated with COVID-19 have meant that this did not occur.
- 7.6 This does not mean most of the laws around gambling will change overnight, rather it will set out a landscape for future regulation. For example, in the 2005 Act created the UK Gambling Commission but the body did not become active until 2007 as it took two years to for the commission to assume full powers from the [Gaming Board for Great Britain](#).

8. Consultation Feedback

- 8.1 As a result of our consultation process, the Council only received feedback from one member of the Licensing Committee. This is attached as **Appendix B**, along with responses from the Team Leader for Health, Safety and Licensing (in bold) as the majority of matters raised are overseen and controlled by the Gambling Commission as opposed to the Council as Licensing Authority. Therefore, these will be raised separately with the Gambling Commission and other bodies as relevant.
- 8.2 Members should also note that, following agreement with the Portfolio Holder on 26th September 2022, the fees associated with the gambling activities have been raised to the statutory maximum. These fees were set centrally by Government at the commencement of the 2005 Act and have not been revised since this date.
- 8.3 At its meeting on [7th November 2022](#), the Licensing Committee discussed the proposed revised Statement of Licensing Policy (Gambling) and sought clarification on the following:
- Supported the inclusion of “problem gambling” and support mechanisms to self-exclude or be excluded by a gambling operator where gambling behaviours become a concern.
 - Measures to ensure that gambling is conducted in a fair and open way, the payment of winnings and associated activities. The Licensing Manager confirmed that the Licensing Team work in partnership with the Gambling Commission, Sussex Police and Trading Standards in fulfilling its regulatory functions.
 - Concerns regarding the number of gambling establishments as well as online gambling alongside measures to monitor and regulate such
 - Fees being set at the statutory maximum to cover the costs of the Councils functions under the Act.
 - Clarification of the types of gambling premises in operation (with the definition of an unlicensed Family Entertainment Centre (UFEC) now included in the glossary of terms.
- 8.4 Notwithstanding the above, the Licensing Committee noted the other representation received as part of the consultation but unanimously supported the proposed revised Statement of Licensing Policy (Gambling) without revision.
- 8.5 Following the statutory consultation process, and should Full Council approve and adopt the Policy, the Council must publish its revised Statement of Licensing Policy (Gambling) and advertise the publication of this by way of Public Notice, in accordance with legal requirements.
- 8.5 The revised Statement Gambling Policy (Gambling) will come into effect on the date specified in the public notice which must be at least 4 weeks from the date of publication of the revised Statement and public notice If the proposed revised

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Statement of Licensing Policy (Gambling).

9. Staffing, Equalities, Financial, and Legal Implications

- 9.1 The Council would be at risk of potential legal challenge regarding any matters pertaining to the Act should its Statement of Licensing Policy – Gambling Act be out of date.
- 9.2 There are no financial or staffing consequences that will arise from the changes to the Policy as the maximum fees that can be charged are set by statute. The Service is self-financing and the fees are used to offset costs.
- 9.3 The Statement of Licensing Policy is specified within the Council's Policy Framework therefore Full Council is required to consider and formally adopt the revised Policy.
- 9.4 Councillors must ensure that they exercise their decision making powers in a manner which is compliant with the Human Rights Act 1998, and the principles of natural justice.
- 9.5 The Council is required to consider the impact any decision may have on crime and disorder in the area (Crime & Disorder Act 1998) which states as follows.
- (1) Without prejudice to any other obligation imposed on it, it shall be the duty of each authority to which this this section applies to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent;
- (a) Crime and disorder in its area(including anti-social and other behaviour adversely affecting the local environment, and
- (b) The misuse of drugs, alcohol and other substances in its area, and
- (c) Re-offending in its area.
- 9.6 Pursuant to Section 149 of the Equality Act 2010, the Council when making decisions must have regard to the 'public sector equality duty'. In summary, this means that the Council must, in the exercise of its functions, have due regard to the need to-
- (a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- (b) Advance equality of opportunity between persons who have a relevant protected characteristic and persons who do not share it.
- (c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The characteristics protected by the Equality Act are:

- age
- disability
- gender reassignment marriage/civil partnership pregnancy/maternity race
- religion/belief
- gender and sexual orientation

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10. Background Papers

Gambling Commission Guidance to Licensing Authorities 5th Edition (September 2015)
with updated Parts 17, 18 and 19 (September 2016).
Gambling Act 2005

Current Gambling Act Policy

[Consultation statement of licensing policy 2020 2022.pdf \(crawley.gov.uk\)](#)

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DRAFT Policy

Statement of Licensing Policy (Gambling)

The Gambling Act 2005
For the period 2023-2025



STATEMENT OF POLICY 2023-2026

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This Statement of Policy was approved by Crawley Borough Council on the ****.

Please note that all references within this Statement to 'Guidance', refers to the Gambling Commission's Guidance to Licensing Authorities, published 1st April 2021 and last updated 13th May 2021. This was the current version of the Guidance at the time when this Statement was prepared and published.

PART A

1. THE LICENSING OBJECTIVES - SUMMARY

1.1 In exercising most of their functions under the Gambling Act 2005 (the 'Act'), Licensing Authorities (the 'Authorities') must have regard to the licensing objectives as set out in Section 1 of the Act. The licensing objectives are:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- Ensuring that gambling is conducted in a fair and open way; and
- Protecting children and other vulnerable persons from being harmed or exploited by gambling.

1.2 This Licensing Authority (the 'Authority') is aware that, as required by Section 153 of the Act, in making decisions about Premises Licences, Temporary Use Notices and some Permits that it should aim to permit the use of premises for gambling in so far as it thinks it:

- In accordance with any relevant Code of Practice issued by the Gambling Commission (the 'Commission') under Section 24 of the Act.
- In accordance with any relevant Guidance issued by the Commission under Section 25 of the Act.
- Reasonably consistent with the licensing objectives; and
- In accordance with the Statement published by the Authority under Section 349 of the Act i.e., this Statement of Policy (the 'Statement').

2. INTRODUCTION

2.1 Crawley Borough Council as Licensing Authority (LA) for the Borough of Crawley in accordance with Section 349 of the Act is required to publish a 'Statement of Licensing Policy' that sets out the policies the Council will generally apply to promote the Licensing Objectives when making decisions on applications made under the Act. The form of the Statement is set out in the Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2007. The Gambling Commission's Guidance to licensing authorities contains further information on the form of the Council's Policy document.

2.2 The Council's Policy Statement must be reviewed and be published at least every three years. Any proposed amendments must be consulted upon as considered necessary.

2.3 The Council is responsible for granting premises licenses, notices, permits, registrations, and notifications within the Borough in respect of:

- casino premises

- bingo premises
 - betting premises, including tracks and adult gaming centres
 - family entertainment centres (licensed and unlicensed)
 - club gaming permits.
 - club machine permits.
 - alcohol licensed premises gaming machine permits / notices
 - prize gaming permits.
 - occasional use notices.
 - temporary use notices; and
 - registrations of small society lotteries
- 2.4 The Council is aware that when exercising its functions in relation to premises licensing, it should aim to permit the use of premises for gambling, in so far as it thinks it is:
- In accordance with any relevant Code of Practice issued by the Gambling Commission (the “codes of practice”)
 - In accordance with any relevant Regulations and Guidance
 - Reasonably consistent with the Licensing Objectives and
 - In accordance with this Policy Statement.
- 2.5 “Gambling” is defined in the Act as either gaming, betting, or taking part in a lottery:
- Gaming means a game of chance for a prize
 - Betting means making or accepting a bet on the outcome of a race, competition, or any other event: the likelihood of something occurring or not occurring or whether something is true or not.
 - A lottery is where persons are required to pay in order to take part in an arrangement, during the course of which one or more prizes are allocated wholly or partly on chance.
- 2.6 The Gambling Commission is responsible for issuing personal licences to individuals and operators. This aspect falls outside of the remit of the council as the Licensing Authority and as such, does not form a significant part of this Statement of Gambling Policy.
- 2.7 Crawley Borough Council is situated in the County of West Sussex, which contains seven District councils and one County council in total. The Council area has a population of approximately 118,500 (2021 census) making it the second largest in the County in terms of population. In terms of area, it is the second smallest, covering 17.36 square miles, and comprises of 14 neighbourhoods. A map of the Crawley Borough is contained at Appendix A.
- 2.8 In order to fully appreciate the need to ensure proper and effective operation and regulation of gambling activities, it is crucial to fully understand the definition of ‘harmful gambling’. Harmful gambling is defined as any type of repetitive gambling that disrupts or damages personal, family, or recreational pursuits. It is not just the gamblers themselves who experience these harms;

individuals, families and communities are all affected.

- 2.9 Research published by Citizens Advice suggests that, for every problem gambler, there are on average between six to ten additional people who are also directly affected. Harmful gambling can cause a wide variety of health and social issues, such as alcohol and drug misuse, financial difficulties, mental health issues, loss of employment, domestic abuse, and family breakdown. This Licensing Authority therefore expects those responsible for or involved in providing gambling activities to be suitably trained in respect of safer gambling. This includes matters such as suicide prevention, problem gambling awareness and signposting to appropriate support services.
- 2.10 Authorities are required under the Act to publish a 'Statement of Principles' which they propose to apply when exercising their functions. This Statement must be published at least every three years, although can be reviewed and revised at any time following consultation with those bodies and persons set out in Section 349(3) of the Act.
- 2.11 This document sets out the policies that the Council will apply when making decisions upon applications or notifications made for:
- premises licenses (Casinos, Bingo Premises, Betting Premises)
 - temporary use notices;
 - occasional use notices;
 - permits as required under the Act; and
 - registrations as required under the Act.
- 2.12 Crawley Borough Council consulted widely upon this Statement before it was finalised and published, and includes:
- Crawley Community Safety Partnership
 - Public Health Body
 - Persons and businesses likely to be affected by authorised gambling within the Borough
- 2.13 Section 349 of the Act requires that the following parties are specifically consulted:
- The Chief Officer of Police;
- One or more persons who appear to the Authority to represent the interests of persons carrying on gambling businesses in the Authority's area; and
 - One or more persons who appear to the Authority to represent the interests of persons who are likely to be affected by the exercise of the Authority's functions under the Act.
- 2.14 The consultation took place between 12 noon Monday 21st August 2022 - 12 noon on Monday, October 17th 2022. A list of those persons who were consulted is provided at **Appendix D**.

- 2.15 The full list of comments made and the consideration by the Authority of those comments is available by request to the Team Leader, Health Safety and Licensing licensing@ Crawley.gov.uk
- 2.16 The Statement was approved at a meeting of Full Council on **** and was published via our website on ****. The Statement has effect from XXXXXxXX.
- 2.17 It should be noted that this Statement will not Nothing in this 'Statement of Policy' will:
- Undermine the rights of any person to apply under the Act for a variety of permissions and have the application considered on its individual merits;
- or
- Override the right of any person to make representations on any application or seek a review of a licence or permit where they are permitted to do so under the Act.
- 2.18 The Council will look to grant applications without conditions unless it is considered conditions are needed to meet the requirements of the Licensing Objectives and any conditions applied will not be overly onerous and will be proportionate to the scale of the application and the 'risks' involved. Conditions will generally be considered unnecessary if they are already adequately covered by other legislation.
- 2.19 All applicants for premises licences will be required to set out how they will promote the Licensing Objectives, and what measures they intend to employ to ensure compliance with these Objectives.
- 2.20 When determining an application to grant, vary a premises licence or whether to review a premises licence, regard will be given to matters including the proximity of the premises to schools, vulnerable adult centres, or hostels, or to residential areas with a high concentration of families with children.
- 2.21 Regard will also be given and consideration upon the size and scope of the gambling premises concerned. Each case will be determined on its merits.
- 2.22 Therefore, if an applicant can effectively demonstrate how they might overcome Licensing Objective concerns, this will be taken into account.
- 2.23 Licensing is about the control and regulation of licensed premises, where Temporary Use Notices or Occasional Use Notices are in place and are operated within the terms of the Act. Conditions may be attached to licences as considered appropriate.

- 2.24 When considering any conditions to be attached to licences, the Council will primarily focus on the direct impact of the activities taking place at licensed premises on members of the public living, working or engaged in normal activity in the area concerned. The Secretary of State may, by regulation, provide for specific conditions to be attached to a Premises Licence as either “mandatory” or “default” conditions. In determining an application, the Licensing Authority may not have regard to the expected demand for the facilities which it is proposed to provide.
- 2.25 In this respect, the Council recognises that, apart from the licensing function, there are a number of other mechanisms available for addressing issues of unruly behaviour that can occur away from licensed premises, including:
- planning controls;
 - ongoing measures to create a safe and clean environment in these areas in partnership
 - with local businesses, transport operators and other council departments;
 - regular liaison with the police on law enforcement issues regarding disorder and anti-social behaviour;
 - the power of the police, other responsible authorities or a local resident or business to seek a review of the licence.
- 2.26 Those making representations will be required to relate their objection to one or more of the Licensing Objectives before the Licensing Authority will be able to consider it. Where a person, whether or not directly affected by an application or living in the vicinity of a licensable premises under consideration, puts themselves forward as representing the interests of residents in the vicinity, the Licensing Authority will normally ask them to provide written evidence that they are acting as representatives of others.
- 2.27 The Council, in undertaking its licensing function, will have due regard to the need to eliminate unlawful discrimination and to promote equality and good relations between persons of different racial groups.

3. DECLARATION

- 3.1 In producing the final Statement, this Council declares that it has had regard to the Gambling Act 2005, the Licensing Objectives, Regulations, and the Guidance issued to Licensing Authorities by the Commission, and any responses from those consulted on the draft Statement.

4. LOCAL RISK ASSESSMENTS

- 4.1 The Gambling Commission’s Licence Conditions and Codes of Practice requires those who hold an Operating Licence granted by the Gambling Commission to assess the local risk to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies,

procedures, and control measures to mitigate those risks.

- 4.2 Whilst there is no statutory requirement to share local risk assessments with responsible authorities or interested parties, this Authority is aware that ordinary code provision 10.1.2 issued by the Commission to all operators to whom they have granted an Operator's Licence states that:

'1 Licensees should share their risk assessment with licensing authorities when applying for a premises licence or applying for a variation to existing licensed premises, or otherwise on request.'

- 4.3 In addition to the above, this Council expects that a copy of the current risk assessment will always be kept and made available upon request at each premises. This approach saves considerable time and expense for all parties as well as increases the confidence of responsible authorities as to the operator's awareness of their obligations.

5. LOCAL AREA PROFILE & POLICIES

- 5.1 A Council may find it useful to complete their own assessment of the local environment as a means of 'mapping out' the key characteristics of the local area. Such an assessment is referred to as a 'Local Area Profile'. There is however no statutory requirement on a Council to undertake such an assessment.

- 5.2 This Council has previously carefully considered whether it is necessary to undertake an assessment of the Crawley Borough. At the current time, the Council is not proposing to undertake an assessment for the following reasons:

- Since the Act came into effect, only a very small number of complaints/concerns regarding gambling matters have ever been received by the Authority. None of the subsequent investigations have necessitated the Authority to instigate formal action;
- No issues or concerns have ever been brought to the attention of this Authority by organisations (e.g., Citizens Advice) who represent children or other individuals who may be harmed or exploited by gambling; and
- Due to market forces, the number of premises benefitting from Premises Licences has remained fairly consistent without concerns being raised that a particular area becoming saturated by licensed premises. However, in respect of the Town Centre, this is being carefully monitored.

- 5.3 Naturally the matter of completing a Local Area Profile will be kept under review and a suitable assessment will be undertaken if it is determined as necessary. If the Authority undertakes an assessment, it will:

- Take into account a wide range of factors, data and information held by both the authority itself and other partners; and

- Proactively engage with responsible authorities as well as other organisations in the area that can give 'input' to map local risks in their area. This would include public health, mental health, housing, education, community welfare groups and safety partnerships along with organisations such as Gamcare or equivalent local organisations.

5.4 In addition, the Council will consider applications with reference to other adopted local policies, including the following:

- The Council's Corporate Strategy and Plan;
- Community Safety Strategy and Plan;
- The Sustainable Community Strategy;
- General Enforcement Policy within Public Protection and Community Services;
- Business Improvement Districts (BID);
- Licensing Policy Statement (Licensing Act 2003.)

6. RESPONSIBLE AUTHORITIES

6.1 The Authority is required by regulations to state the principles it will apply in exercising its powers under Section 157(h) of the Act to designate, in writing, a body which is competent to advise the Authority about the protection of children from harm. The principles are:

- The need for the body to be responsible for an area covering the whole of the Authority's area; and
- The need for the body to be answerable to democratically elected persons, rather than any particular vested interest group.

6.2 Crawley Borough Council, as the Licensing Authority, designates the Children's Safeguarding Unit as the competent authority to provide advice on the protection of children from harm.

6.3 The Children's Safeguarding Unit (formerly the Child Protection Agency) is the West Sussex County Council Social Services' child protection unit and operates throughout the county of West Sussex, covering the Borough of Crawley and has the specialist knowledge and expertise to fulfil this role. The Council formally designates the West Sussex Safeguarding Children Partnership as the body competent to advise it about the protection of children from harm.

6.4 The contact details of all the Responsible Authorities under the Gambling Act 2005 are available via the Council's website at **INSERT LINK** and are also shown at **Appendix C**.

7. INTERESTED PARTIES

7.1 Interested Parties can make representations about licence applications or

apply for a review of an existing licence. These parties are defined in Section 158 of the Act as follows:

“For the purposes of this Part a person is an Interested Party in relation to a Premises Licence or in relation to an application for or in respect of a Premises Licence if, in the opinion of the Licensing Authority which issues the Licence or to which the application is made, the person -

- (a) Lives sufficiently close to the premises to be likely to be affected by the authorised activities,*
- (b) Has business interests that might be affected by the authorised activities, or*
- (c) Represents persons who satisfy paragraph (a) or (b).”*

- 7.2 The Council is required by Regulations to state the principles it will apply in exercising its powers under the Act to determine whether a person is an Interested Party. The principles are that each case will be decided upon its merits. This Authority will not apply a rigid rule to its decision making. It will consider the examples of considerations provided in the Guidance at Paragraphs 8.12 to 8.17 inclusive. It will also consider Paragraph 6.21 of the Guidance that *“have business interests”* should be given the widest possible interpretation and include partnerships, charities, faith groups and medical practices.
- 7.3 For the purposes of Section 158(c) of the Act, “interested parties” includes persons who are democratically elected such as Councillors and MPs, as representing individuals who meet the criteria defined in Section 158(a) or Section 158(b) of the Act. Other representatives include bodies such as trade associations, along with residents’ and tenants’ associations. A school head or governor might also act in representing the interests of pupils or parents and a community group might represent vulnerable people living near to a proposed premises.
- 7.4 Where an individual claims to represent a body or an individual, written confirmation of this will be required to demonstrate who and what is being represented, This Council will generally require written evidence that a person/body (e.g. an advocate/relative) ‘represents’ someone who either lives sufficiently close to the premises to be likely to be affected by the authorised activities and/or has business interests that might be affected by the authorised activities.
- 7.5 The Council will normally only consider representations where they relate to the Act and Licensing Objectives, the Codes of Practice, or the Statement of Principles. Any representations which are considered to be inadmissible, irrelevant, frivolous, or vexatious will not influence the council’s determination of matters.
- 7.6 Anyone making a representation should note that their details will be made available to the applicant. This is to allow for negotiation and in the interests of

fairness. In the event of a hearing, representations and associated details will be included as part of a public document.

8. EXCHANGE OF INFORMATION

- 8.1 Authorities are required to include in their Statements the principles to be applied by the Authority in exercising the functions under Sections 29 and 30 of the Act with respect to the exchange of information between it and the Commission, and the functions under Section 350 of the Act with respect to the exchange of information between it and the other persons listed in Schedule 6 to the Act.
- 8.2 In fulfilling its functions and obligations under the Gambling Act 2005 the Council will exchange relevant information with other regulatory bodies and will establish protocols in this respect. In exchanging such information, the council will conform to the requirements of the Gambling Act, data protection and freedom of information legislation in accordance with the Council's existing policies.
- 8.3 Contact details of those persons making representations and details of the representations will be made available to applicants to allow for negotiation and, in the event of a hearing being held, will form part of a public document. Anyone making representation or applying for a review of a premises licence should be aware these details will be disclosed.
- 8.4 The Council will act in accordance with the provisions of the Act in its exchange of information which includes the General Data Protection Regulations (GDPR) and the Data Protection Act 2018. The Licensing Authority will have regard to any relevant Codes of Conduct, Guidance and Regulations issued by the Commission on this matter, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Act.
- 8.5 Administered by the Office for Product Safety and Standards, the 'Primary Authority' scheme provides for a statutory partnership to be formed between a business and a single authority, e.g., a local authority. That single authority, the Primary Authority, can provide a national inspection strategy within which other local regulators can operate, to improve the effectiveness of visits by local regulators and enable better sharing of information between them. The Primary Authority scheme therefore aims to ensure that local regulation is consistent at a national level.
- 8.6 Since October 2013, the Primary Authority scheme was extended to include age-restricted sales of gambling, although does not apply to any other aspect of the Act. This means local authorities in England and Wales must follow any age restricted sales of gambling national inspection plans and strategies that are published on the Primary Authority register when considering proactive age restricted sales (gambling) activity including testing. Primary Authority

plans do not prohibit authorities undertaking reactive test purchasing.

- 8.7 This Authority recognises the value and importance of the Primary Authority scheme and as is required, will engage with Primary Authorities where and when necessary.

9. ENFORCEMENT

- 9.1 Councils are required by regulations under the Act to state the principles to be applied by the Authority in exercising the functions under Part 15 of the Act with respect to the inspection of premises; and the powers under Section 346 of the Act to institute criminal proceedings in respect of the offences specified. Regard will also be had in relation to any Guidance issued under the Act.

- 9.2 The Council is a signatory to the Regulators' Code and will follow the principles set out in it as follows:
- Proportionate: regulators should only intervene when necessary; remedies should be appropriate to the risk posed, and costs identified and minimised;
 - Accountable: regulators must be able to justify decisions, and be subject to public scrutiny;
 - Consistent: rules and standards must be joined up and implemented fairly;
 - Transparent: regulators should be open and keep regulations simple and user friendly.

- 9.3 The Regulators' Code proposes that a graduated response is taken where offences against legislation are found or where licence conditions have been contravened. An isolated administrative offence such as failing to maintain certain records may be dealt with purely by way of a written warning. More serious offences or repeated offences that have been committed over a period of time may result in referral to a licensing sub-committee, the issue of a Formal Caution or a referral for prosecution.

- 9.4 Premises may be subject to a scheme of routine inspection, the frequency of which will be determined by the risks posed by the premises i.e., those premises considered to pose a greater risk will be subject to more frequent inspections than those posing a lower risk

- 9.5 When determining risk, consideration will be given to:

1. the nature of the gambling activities carried out on the premises;
2. the location of the premises in relation to schools etc;
3. the procedures put in place by the management to meet the Licensing Objectives.

- 9.6 Additional random monitoring visits may be made, at the discretion of the Councils Licensing Team, where it is considered necessary to meet the needs

of the Licensing Objectives or following receipt of complaint. The Borough will also be monitored for unlicensed premises.

- 9.7 The Council will seek to work actively with the Gambling Commission and Police in enforcing the Act and associated legislation. It encourages the police to share information about licensees and licensed premises under the Crime and Disorder Act 1998.
- 9.8 When considering enforcement action, the Council will consider each case on its own facts and merits and in accordance with its enforcement policy.
- 9.9 As the Guidance requires, this Council will endeavour to avoid duplication with other regulatory regimes so far as possible.
- 9.10 This Council has adopted and implemented a risk-based inspection programme, based on;
- The Licensing Objectives;
 - Relevant Codes of Practice;
 - Guidance issued by the Commission, in particular at Part 36; and
 - The principles set out in this Policy Statement.
- 9.11 The main enforcement and compliance role for this Authority in terms of the Act is to ensure compliance with the requirements of the Premises Licences and other permissions which it authorises. The Commission is the enforcement body for the Operating and Personal Licences. It is also worth noting that concerns about manufacture, supply or repair of gaming machines are not dealt with by the Authority but should be notified to the Commission.
- 9.12 This Authority also keeps itself informed of developments as regards the work of the Office for Product Safety and Standards in its consideration of the regulatory functions of Local Authorities.

10. THE COUNCIL AS LICENSING AUTHORITY FUNCTIONS & DECISION MAKING

- 10.1 The Council will be involved in a wide range of licensing decisions and functions. Councils are required under the Act to:
- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences;
 - Issue Provisional Statements;
 - Regulate Members' Clubs and Miners' Welfare Institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits;
 - Issue Club Machine Permits to Commercial Clubs;
 - Grant permits for the use of certain lower stake gaming machines at Unlicensed Family Entertainment Centres;

- Receive notifications from any person(s) or entity that holds an appropriate Premises Licence granted under the Licensing Act 2003, in order that a maximum of two gaming machines may be made available. The Premises Licence must include the retail sale of alcohol as a licensable activity for consumption on the premises, there must be a bar at the premises from which the alcohol is served without a requirement that alcohol is served only with food;
- Issue Licensed Premises Gaming Machine Permits to any person(s) or entity that holds an appropriate Premises Licence granted under the Licensing Act 2003 in order that three or more gaming machines may be made available. Again, the Premises Licence must include the retail sale of alcohol as a licensable activity for consumption on the premises, there must be a bar at the premises from which the alcohol is served without a requirement that alcohol is served only with food;
- Register Non-Commercial Societies in order that they can operate Small Society Lotteries within prescribed thresholds;
- Issue Prize Gaming Permits;
- Receive and Endorse Temporary Use Notices;
- Receive Occasional Use Notices;
- Provide information to the Commission regarding details of Licences issued (see Section above on 'Information Exchange'); and
- Maintain registers of the Permits and Licences that are issued under these functions.
- Enforce legislation in relation to its functions.

10.3 It should be noted that Councils are not involved in licensing remote gambling at all, as this is regulated by the Commission via Operating Licences

10.4 An application for a premises licence under the Act can only be made by a person who either holds an operating licence which authorises the activity in respect of which a premises licence is sought OR has made an application for an operating licence which has not been determined.

10.5 Applications for the grant, transfer or variation of a premises licence must be accompanied by an assessment that demonstrates how the applicant will promote all the Licensing Objectives in the form of a written Operating Schedule.

10.6 Appreciating the need to provide a speedy, efficient, and cost-effective service to all parties involved in the licensing process, the Licensing Committee (Gambling Act Matters) has delegated certain decisions and functions to both Sub Committees of trained Councillors and has also delegated certain matters to Officers.

10.7 Many of the decisions and functions will be purely administrative in nature and the grant of non-contentious applications, including for example, those licences and permits where no representations have been made, have been

delegated to Council Officers. The Council's Licensing Team will deal with all other licence applications where either no representations have been received, or where representations have been received and it is agreed by the parties that a hearing is not necessary. The Table shown at Appendix B sets out the agreed delegation of decisions and functions to Licensing Committee, sub-committees, and Officers.

- 10.8 Decisions as to whether representations are irrelevant, frivolous, or vexatious will be made by the Council's Team Leader for Health, Safety and Licensing. This Officer will make the decisions on whether representations, other decisions under the Act, or applications for licence reviews should be referred to a licensing sub-committee established to determine matters under the Act or to the Licensing Committee charged with determining matters under the Act.
- 10.9 Where representations are rejected, the person making that representation will be given written reasons as to why that is the case.
- 10.10 This form of delegation is without prejudice to officers referring an application to a sub-committee, or to the Licensing Committee, or to Full Council, if considered appropriate in the circumstances of any particular case.
- 10.11 A hearing may be required to attach or exclude conditions to a licence unless the applicant waives their right to a hearing.
- 10.12 When determining an application, the council cannot take into account:
 - a. the likelihood of an applicant obtaining planning permission or building regulations;
 - b. the expected demand for facilities;
 - c. irrelevant matters which are not related to gambling or the licensing objectives;
 - d. moral objections or nuisance.
- 10.11 A Licensing Sub-Committee comprised of three councillors of the Licensing Committee who will sit to determine applications where representations have been received from Interested Parties and Responsible Authorities. Ward councillors will not sit on a sub-committee involving an application within their ward.
- 10.12 The Licensing Committee will also sit to determine general licensing matters that have been delegated.

- 10.13 Where a councillor who is a member of the Licensing Committee is making or has made representations regarding a licence on behalf of an interested party, in the interests of good governance they will disqualify themselves from any involvement in the decision-making process affecting the licence in question.
- 10.14 The Licensing Sub-Committee will also refer to the Licensing Committee any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it under the Act.
- 10.15 The Licensing Committee will refer to the Full Council any matter it is unable to deal with because of the number of its members who are unable to take part in the consideration or discussion of any matter or vote on any question with respect to it.
- 10.16 Every determination of a licensing decision by the Licensing Committee or a Licensing Sub-Committee shall be accompanied with clear reasons for the decision. The decision and the reasons for that decision will be sent to the applicant and those who have made relevant representations as soon as practicable. A summary of the decision shall also be posted on the council's website as soon as possible after the decision has been confirmed, where it will form part of the Licensing Register required to be kept by the Council.
- 10.17 The Council will not be involved in the licensing of remote gambling as this falls under operating licence, regulated by the Gambling Commission as are personal licences for individuals. Spread betting is regulated by the Financial Services Authority, The National Lottery is regulated by the National Lottery Commission.

PART B

PREMISES LICENCES - CONSIDERATION OF APPLICATIONS

11. General Principles

11.1 Premises Licences are subject to the requirements set-out in the Act and regulations, as well as specific mandatory and default conditions which are detailed in regulations issued by the Secretary of State. Councils are able to exclude default conditions and also attach others, where it is believed to be appropriate and necessary to do so.

(i) Decision-making

11.2 This Authority is aware that in making decisions about Premises Licences it should aim to permit the use of premises for gambling in so far as it thinks it:

- In accordance with any relevant Code of Practice issued by the Commission;
- In accordance with any relevant Guidance issued by the Commission;
- Reasonably consistent with the licensing objectives; and
- In accordance with this Statement.

11.3 The Authority recognises that Paragraph 5.34 of the Guidance states that *"moral or ethical objections to gambling are not a valid reason to reject applications for Premises Licences (with the exception of the casino resolution powers)."* - see Section 13 on Casinos – and that Paragraph 5.22 further states that *"s.153 makes it clear that in deciding whether or not to grant a licence, a Licensing Authority must not have regard to the expected demand for gambling premises that are the subject of the application."*

(ii) Definition of "premises"

11.4 In Section 353(1) of the Act, *"premises"* is defined as including *"any place and in particular – (a) a vessel, and (b) a vehicle"*. Section 152 of the Act states that a Premises Licence *"may not be issued in respect of premises if a premises licence already has effect in relation to the premises"*. However, a single building could be subject to more than one Premises Licence, provided they are for different parts of the building and these parts can be reasonably regarded as being different premises. This approach has been taken to allow large, multiple unit premises such as a pleasure park, pier, track, or shopping mall to obtain discrete Premises Licences, where appropriate safeguards are in place. When considering applications, this Authority is aware of the need to pay particular attention regarding sub-division of a single building or plot so as to ensure that the mandatory conditions relating to access between premises are or would be complied with.

11.5 The Guidance states at Paragraph 7.6 that: *"In most cases the expectation is that a single building/plot will be the subject of an application for a licence, for example, 32 High Street. But that does not mean 32 High Street cannot be the*

subject of separate premises licences for the basement and ground floor if they are configured acceptably. Whether different parts of a building can properly be regarded as being separate premises will depend on the circumstances. The location of the premises will clearly be an important consideration and the suitability of the division is likely to be a matter for discussion between the operator and the Licensing Authority.” Further paragraph 7.7 states that “The Commission does not consider that areas of a building that are artificially or temporarily separated, for example by ropes or moveable partitions, can properly be regarded as different premises. If a premises is located within a wider venue, a Licensing Authority should request a plan of the venue on which the premises should be identified as a separate unit”.

- 11.6 This Council takes particular note of Paragraph 7.26 the Guidance which states that:

“Licensing Authorities should take particular care in considering applications for multiple premises licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware of the following:

- *The third licensing objective seeks to protect children from being harmed by gambling. In practice this means not only preventing them from taking part in gambling, but also preventing them from being in close proximity to gambling. Therefore, premises should be configured so that children are not invited to participate in, have accidental access to or closely observe gambling where they are prohibited from participating.*
- *Entrances to and exits from parts of a building covered by one or more premises licences should be separate and identifiable so that the separation of different premises is not compromised, and people do not “drift” into a gambling area. In this context it should normally be possible to access the premises without going through another licensed premises or premises with a permit; and*
- *Customers should be able to participate in the activity named on the premises licence.*

- 11.7 At Paragraph 7.33 of the Guidance, factors which may assist the Authority in determining whether two premises are truly separate have been provided these include:

- *Is a separate registration for business rates in place for the premises?*
- *Is the premises’ neighbouring premises owned by the same person or someone else?*
- *Can each of the premises be accessed from the street or a public passageway?*
- *Can the premises only be accessed from any other gambling premises?*

- 11.8 This Authority will consider the above and any other relevant factors in making its decision, depending on all the circumstances of the case.

11.9 Paragraph 7.23 of the Guidance provides the relevant access provisions for each type of premises, this is reproduced below:

Casinos

- *The principal entrance to the premises must be from a ‘street’ (as defined at Paragraph 7.21 of the Guidance)*
- *No entrance to a casino must be from premises that are used wholly or mainly by children and/or young persons*
- *No customer must be able to enter a casino directly from any other premises which holds a gambling premises licence.*

Adult Gaming Centre

- *No customer must be able to access the premises directly from any other licensed gambling premises.*

Betting Shops

- *Access must be from a street (as defined at Paragraph 7.21 of the Guidance) or from other premises with a betting premises licence*
- *No direct access from a betting shop to another premises used for the retail sale of merchandise or services. In effect there cannot be an entrance to a betting shop from a shop of any kind unless that shop is itself a licensed betting premises.*

Tracks

- *No customer must be able to access the premises directly from a casino or adult gaming centre.*

Bingo Premises

- *No customer must be able to access the premises directly from a casino, an adult gaming centre or a betting premises, other than a track.*

Family Entertainment Centre (Licensed)

- *No customer must be able to access the premises directly from a casino, an adult gaming centre or a betting premises, other than a track.*

Part 7 of the Guidance contains further advice on this issue, which this Authority will also carefully take into account in its decision-making.

(iii) Premises “ready for gambling”

11.10 The Guidance states at Paragraph 7.58 that “a licence to use premises for

gambling should only be issued in relation to premises that the Licensing Authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use.”

- 11.11 If the construction of a premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, then an application for a Provisional Statement should be made instead.
- 11.12 In deciding whether a Premises Licence can be granted where there are outstanding construction or alteration works at a premises, this Authority will determine applications on their merits, applying the following two stage consideration process in accordance with Paragraph 7.59 of the Guidance:
- Whether, as a matter of substance after applying the principles in Section 153 of the Act, the premises ought to be permitted to be used for gambling; and
 - Whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.
- 11.13 Applicants should note that this Authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence.
- 11.14 More detailed examples of the circumstances in which such a licence may be granted can be found within the Guidance at Paragraphs 7.58-7.65 inclusive.
- (iv) Location**
- 11.15 This Council is aware that demand issues cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives are relevant to its decision-making. As detailed in the Guidance, this Council will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder. Each application will be decided on its merits.
- 11.16 When determining an application to grant or vary a premises licence or whether to review a premises licence, regard will be taken as to the proximity of the premises to schools, vulnerable adult centres, or to residential areas with a high concentration of families with children. The proximity of premises etc. taken into consideration will vary depending upon the size and scope of the gambling premises concerned. Each case will, however, be determined on its merits.
- 11.17 With regard to these objectives, it is the Licensing Authority, upon receipt of any relevant representations, to look at specific location issues including:
- the possible impact a gambling premises may have on any premises that

provide services to children or young people, i.e. a school, or vulnerable adult centres in the area;

- the possible impact a gambling premises may have on residential areas; where there may be a high concentration of families with children;
- the size of the premises and the nature of the activities taking place;
- any levels of organised crime in the area.

11.18 The Council will need to be satisfied that there is sufficient evidence that the particular location of the premises would be harmful to the Licensing Objectives.

11.19 Since 6 April 2016, it has been a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), under Section 10, for licensees to assess the local risks to the Licensing Objectives posed by the provision of gambling facilities at their premises. They must have policies, procedures, and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this Statement of Principles.

11.20 The LCCP goes on to say licensees must review (and update as necessary) their local risk assessments:

1. To take account of significant changes in local circumstance, including those identified in this policy;
2. When there are significant changes at a licensee's premises that may affect their mitigation of local risks;
3. When applying for a variation of a premises licence; and
4. In any case, undertake a local risk assessment when applying for a new premise licence.

11.21 The Council will expect the local risk assessment to consider as a minimum:

- Whether the premises is in an area subject to high levels of crime and/or disorder;
- The demographics of the area in relation to vulnerable groups;
- The location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children are likely to gather.

11.22 In any case the local risk assessment should show how vulnerable people, including people with gambling dependencies, are protected.

11.23 Other matters that the assessment may include:

- the training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how

the manning of premises affects this.

- details as to the location and coverage of working CCTV cameras, and how the system will be monitored.
- the layout of the premises so that staff have an unobstructed view of persons using the premises.
- the number of staff that will be available on the premises at any one time.
- if at any time the number of staff available on the premises is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those persons using the premises.

(v) Planning

11.24 The Guidance states at Paragraph 7.58 that *“In determining applications, the Licensing Authority should not take into consideration matters that are not related to gambling and the licensing objectives. One example would be the likelihood of the applicant obtaining planning permission or building regulations approval for their proposal.”* This Council will therefore only take into account matters that are relevant to gambling and the Licensing Objectives,

11.25 In addition, this Council notes the Guidance at Paragraph 7.65 which states that *“When dealing with a premises licence application for finished buildings, the Licensing Authority should not take into account whether those buildings have to comply with the necessary planning or building consents. Nor should fire or health and safety risks be taken into account. Those matters should be dealt with under relevant planning control, building and other regulations, and must not form part of the consideration for the premises licence. Section 210 of the Act prevents Licensing Authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally, the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.”*

(vi) Duplication with other regulatory regimes

11.26 This Council seeks to avoid any duplication with other statutory/regulatory systems where possible, including planning. This Authority will therefore not consider whether a premises subject of a licence application is likely to be awarded planning permission or building regulations approval.

11.27 When dealing with a Premises Licence application for finished buildings, this Council will not take into account whether those buildings have to comply with the necessary planning or buildings consents. Fire or health and safety risks will not be taken into account, as these matters are dealt with under relevant planning control, buildings/ other regulations and must not form part of the consideration for the Premises Licence.

11.28 In considering applications, and taking enforcement action, this Authority is

bound by other legislation as listed below, but is not intended to duplicate existing law and regulatory regimes that already place obligations on employers and operators, including:

- Section 17 of the Crime and Disorder Act 1998;
- Human Rights Act 1998;
- Health and Safety at Work etc. Act 1974;
- Environmental Protection Act 1990;
- Anti-Social Behaviour, Crime and Policing Act 2014
- Equality Act 2010;
- General Data Protection Regulations (GDPR) 2018.

DRAFT CBC POLICY

12. Licensing Objectives & Actions to Promote

- 12.1 Premises Licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this Council has considered the Guidance and some comments are made below.

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime

- 12.2 The Gambling Commission takes a leading role in preventing gambling from being a source of crime. In its Guidance for local authorities, has noted that “disorder is intended to mean activity that is more serious and disruptive than mere nuisance. Factors to consider in determining whether a disturbance was serious enough to constitute disorder would include whether police assistance was required and how threatening the behaviour was to those who could see or hear it.”
- 12.3 The Council agrees with this statement The Council will, when determining applications, consider whether the grant of a premises licence in a particular location is likely to result in an increase in crime and disorder.
- 12.4 In considering licence applications, the council will particularly take into account the following:
1. the design and layout of the permit the training given to staff in crime prevention measures appropriate to those premises;
 2. physical security features installed in the premises. this may include matters such as the position of cash registers or the standard of Close Circuit Television (CCTV) that is installed;
 3. where premises are subject to age-restrictions, the procedures in place to conduct age verification checks;
 4. the likelihood of any violence, public order, or policing problem if the licence is granted.
- 12.5.1 Equally it will carefully consider whether control measures by way of conditions are appropriate to prevent the premises from being associated with or used to support crime and disorder, such as the provision of Security Industry Authority (SIA) Door Supervisors, controlled entry systems. The Council will also take into consideration the content of any risk assessments conducted by the Operator.

Ensuring that gambling is conducted in a fair and open way

- 12.5.2 This Council has noted that the Commission states at Paragraph 5.11 that it generally “*would not expect Licensing Authorities to find themselves dealing with issues of fairness and openness frequently. Fairness and openness is likely to be a matter for either the way specific gambling products are provided and therefore subject to the operating licence, or will be in relation to the*

suitability and actions of an individual and therefore subject to the personal licence”.

- 12.6 This will normally be a matter for either the operator and/or management of the gambling business, and therefore subject to the Operating Licence, or will be in relation to the suitability and actions of an individual who holds a personal licence under the Act. Both of which are the responsibility of the Gambling Commission, however if this Council suspects that gambling is not being conducted in a fair an open way, it will liaise with the Gambling Commission.

Protecting children and other vulnerable persons from being harmed or exploited by gambling

- 12.7 With limited exceptions, the access of children and young persons to those gambling premises, which are adult only environments, will not be permitted. The Council will seek to limit the advertising for premises so that gambling products are not aimed at children or advertised in such a way that makes them particularly attractive to children.
- 12.8 The Council will consult with the Local Children Safeguarding Unit and / or Sussex Police on any application that indicates there may be concerns over access for children or vulnerable persons.
- 12.9 The Council will judge the merits of each separate application before deciding whether to impose conditions to protect children on particular categories of premises. This Council will also consider specific measures which may be required for buildings which are subject to multiple Premises Licences and uses. This may include such requirements as:
1. Supervision of entrances;
 2. Segregation of gambling areas from areas frequented by children;
 3. Supervision of gaming machines in non-adult gambling specific premises and where adult gambling is available.
- 12.10 In accordance with Guidance, consideration will be given as to whether staff will be able to adequately supervise gambling premises, as adequate staffing is a factor to consider regarding the prevention of underage gaming. This Council will work together with operators to consider how any impediments to the supervision of premises might be most appropriately remedied. Supervision also applies to premises that are themselves not age-restricted (e.g. bingo and family entertainment centres) but which make gambling products and facilities available,
- 12.11 Where the Council considers the structure or layout to be an inhibition or potential inhibition to satisfying the Licensing Objective, the Council will expect the applicant/licensee to consider what changes are required to ensure the risk is mitigated. Changes might include the positioning of CCTV/staff, the use of floor-walkers and/or determining a suitable location for the staff counter so

as to ensure direct line of sight and/or segregation of facilities as listed above.

12.12 As regards the term “*vulnerable persons*” it is noted that the Commission does not seek to offer a definition but states at Paragraph 5.17 that “*it does for regulatory purposes, assume that this group includes people who gamble more than they want to, people who gambling beyond their means and people who may not be able to make informed or balanced decisions about gambling due to, for example, mental health needs, a learning disability or substance misuse relating to alcohol or drugs*”.

12.13 The Council does not seek to prohibit particular groups of adults from gambling in the same way that it seeks to prohibit children but it will assume, for regulatory purposes, that ‘vulnerable persons’ includes:

- people who gamble more than they want to;
- people who gamble beyond their means; and
- people who may not be able to make an informed or balanced decision about gambling due to a mental impairment, alcohol or drugs.

Conditions

12.14. Conditions will be applied to licences that are proportionate and appropriate to the business, organisation or individual concerned. The council will principally draw upon the advice issued by the Gambling Commission and attach conditions relative to the given circumstances of each individual case as a means to comply with the Act and promote the Licensing Objectives.

12.15. Any conditions attached to licences will be proportionate and will be:

- Relevant to the need to make the proposed building suitable as a gambling facility;
- Directly related to the premises and the type of licence applied for;
- Fairly and reasonably related to the scale and type of premises; and
- Reasonable in all other respects.

12.16. This Council notes that the mandatory and default conditions which attach to certain Premises Licences are set with the intention that it is ordinarily expected that no further regulation in relation to the matters that are being controlled will be required. This Authority will only consider doing so where there are regulatory concerns of an exceptional nature, and any additional licence conditions must relate to the Licensing Objectives.

12.17. Decisions upon individual conditions will be made on a case by case basis, although there will be a number of measures this Authority will consider utilising should there be a perceived need, such as the use of CCTV, qualified door supervisors, appropriate signage for adult only areas etc.

- 12.18. There are specific comments made in this regard under some of the licence types below. It is also for applicants for Premises Licences to offer their own suggestions as to ways in which the Licensing Objectives can be effectively met.
- 12.19. This Council will also ensure that where Category C or above gaming machines are on offer in premises to which children are admitted that:
- All such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
 - Only adults are admitted to the area where these machines are located;
 - Access to the area where the machines are located is supervised;
 - The area where these machines are located is arranged so that it can be observed by the staff or the holder of the licence; and
 - At the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.
- 12.20. These considerations will also apply to premises including buildings where multiple Premises Licences are applicable.
- 12.21. This Council is aware that Tracks may be subject to one or more than one Premises Licence, provided each licence relates to a specified area of the track. As per the Guidance, this Authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.
- 12.22. It is noted that there are conditions which the Council cannot attach to Premises Licences which are:
- Any condition on the Premises Licence which makes it impossible to comply with an Operating Licence condition;
 - Conditions relating to gaming machine categories, numbers, or method of operation;
 - Conditions which provide that membership of a Club or body be required (the Act specifically removes the membership requirement for Casino and Bingo Clubs and this provision prevents it being reinstated); and
 - Conditions in relation to stakes, fees, winning or prizes.

Door Supervisors

- 12.23. This Council recognises Paragraph 33.1 of the Guidance where it states that *“If a Licensing Authority is concerned that a premises may attract disorder or be subject to attempts at unauthorised access, for example by children and young persons, then it may require that the entrances to the premises are controlled by a door supervisor. The licensing authority is able to impose a condition on the premises licence to this effect.”*

12.24 Where it is decided that supervision of entrances/machines is appropriate for particular cases, this Council will consider whether these need to be licensed by the Security Industry Authority or not will be necessary. It will not be automatically assumed that they need to be licensed, as the statutory requirements for different types of premises vary. This is supported by the Guidance at Part 33.

12.25 The Council will make an SIA Door Supervisor requirement if there is clear evidence that the premises cannot be adequately supervised and that supervision is necessary and appropriate to promote the licensing objectives.

13. Adult Gaming Centres

13.1 The Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect applicants to satisfy the Authority that there will be sufficient measures to, for example, ensure that persons under 18 years do not have access to the premises.

13.2 The Council may consider measures to meet the Licensing Objectives such as:

- Proof of age scheme
- CCTV;
- Supervision of entrances/machine areas;
- Physical separation of areas;
- Location of entry;
- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes; and
- Provision of information leaflets/helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

14. (Licensed) Family Entertainment Centres

14.1 This Council will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas.

14.2 This Council may consider measures to meet the licensing objectives such as:

- CCTV;
- Supervision of entrances/machine areas;

- Physical separation of areas;
- Location of entry;
- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes;
- Provision of information leaflets/helpline numbers for organisations such as GamCare; and
- Measures/training for staff on how to deal with suspected truant school children on the premises.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 14.3 This Authority will seek to establish, so far as is reasonably possible, the extent to which any conditions attached to an Operating Licence controls the way in which the area containing the Category C gaming machines should be delineated.

15. Casinos

- 15.1 Section 7 (1) of the Act states that ‘a casino is an arrangement whereby people are given an opportunity to participate in one or more casino games’. Casino games are defined by the Act to mean a game of chance which is not equal chance gaming. Equal chance gaming is gaming which does not involve playing or staking against a bank, and where the chances are equally favourable to all participants. Examples of casino games include roulette, blackjack, punto banco, three card poker and dice.

- 15.2 This Council has not passed a “no resolution” to prohibit the application and operation of casinos in the Borough at present. However, the Council reserves its right to review this situation and may at some time in the future, resolve not to permit casinos.

- 15.3 Should the Council choose to make such a resolution; this will be a resolution of Full council following considered debate and the reasons for making the resolution will be given. Despite this resolution, the situation nationally remains unaltered in that only the Councils that historically bid for and were successful in being granted permission to grant either a ‘large’ or ‘small’ casino licence, may do so. This Authority historically determined not to bid for such permission, but this is under review.

16. Bingo

- 16.1 This Council notes the following paragraphs of the Guidance:

Paragraph 18.5 – *“Licensing Authorities need to satisfy themselves that bingo can be played in any bingo premises for which they issue a premises licence. An operator may choose to vary their licence to exclude a previously licensed*

area of that premises, and then apply for a new premises licence, or multiple new premises licences, with the aim of creating a separate premises in that area. Before issuing additional premises licences, licensing authorities need to consider whether bingo can be played at each of those new premises.”

Paragraph 18.7 – “Children and young people are allowed into bingo premises; however, they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separated from areas where children and young people are allowed.”

17. Betting Premises

- 17.1 *Self-Service Betting Terminals (SSBTs)* – Section 181 contains an express power for Authorities to restrict the number of SSBTs, their nature and the circumstances in which they are made available by attaching a licence condition to a betting premises licence. In accordance with the Guidance at Paragraph 19.9, when considering the number/nature/circumstances of SSBTs an operator wants to offer, the Council will take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for persons under 18 to bet) or by vulnerable people.

18. Tracks

- 18.1 This Council is aware that Tracks may be subject to one or more Premises Licences, provided each licence relates to a specified area of the track. This Authority notes that Guidance and confirms that it will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.
- 18.2 It is the applicant for a Track Premises Licence to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog-racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than Category D machines) are provided.
- 18.3 This Council may consider measures to meet the Licensing Objectives such as:
- Proof of age schemes;
 - CCTV;
 - Supervision of entrances/machine areas;
 - Physical separation of areas;
 - Location of entry;

- Notices/signage;
- Specific opening hours;
- Self-exclusion schemes; and
- Provision of information leaflets/helpline numbers for organisations such as GamCare.

This list is not mandatory, nor exhaustive, and is merely indicative of example measures.

- 18.4 *Gaming machines* - Where the applicant holds a Pool Betting Operating Licence (this is granted by the Commission) and is going to use the entitlement to four gaming machines, machines (other than Category D) should be located in areas from which children are excluded.

Applications and plans - Tracks

- 18.5 As part of an application for a Track Premises Licence, applicants are required to submit plans of the premises. As the Guidance states at Paragraph 20.43, *“This ensures that licensing authorities have the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan also informs future premises inspection activity.”*
- 18.6 The Council also notes Paragraphs 20.44 of the Guidance which states that:
- “Plans for tracks need not be in a particular scale but should be drawn to scale and should be sufficiently detailed to include the information required by regulations.”*
- 18.7 The Council shares the Commission’s appreciation at Paragraph 20.46 of the Guidance that *“It is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with pinpointing exact locations for some types of track. Licensing Authorities should satisfy themselves that the plan provides sufficient information to enable them to assess an application.”*

19. Travelling Fairs

- 19.1 Without requiring any form of authorisation under the Act, travelling fairs may provide an unlimited number of Category D gaming machines and/or equal chance prize, provided that the facilities for gambling amount to no more than an ancillary amusement at the fair.
- 19.2 The Council will consider whether the travelling fair falls within the statutory definition. The Act defines a travelling fair as *“wholly or principally”* providing amusements and they must be on a site that has been used for fairs for no more than 27 days per calendar year.
- 19.3 It is noted that the 27-day statutory maximum for land being used as a fair

applies on a per calendar year basis, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. So far as is reasonably practicable, this Authority will monitor the use of land and will work with its neighbouring Authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

20. Provisional Statements

- 20.1 Developers may wish to apply to this Authority for Provisional Statements before entering into a contract to buy or lease property or land to judge whether a development is worth taking forward in light of the need to obtain a Premises Licence. There is no need for the applicant to hold an Operating Licence in order to apply for a Provisional Statement.
- 20.2 Section 204 of the Act provides for a person to make an application to the Authority for a Provisional Statement in respect of premises that they:
- (a) Expect to be constructed;
 - (b) Expect to be altered; or
 - (c) Expect to acquire a right to occupy.
- 20.3 The process for considering an application for a Provisional Statement is the same as that for a Premises Licence application. The applicant is obliged to give notice of the application in the same way as applying for a Premises Licence. Responsible Authorities and Interested Parties may make representations and there are rights of appeal.
- 20.4 In contrast to the Premises Licence application, the applicant does not have to hold, or have applied for, an Operating Licence from the Commission and they do not have to have a right to occupy the premises in respect of which their application for a Provisional Statement is made.
- 20.5 The holder of a Provisional Statement may then apply for a Premises Licence once the premises are constructed, altered or acquired. The Authority will be constrained in the matters it can consider when determining the Premises Licence application, and in terms of representations about Premises Licence applications that follow the grant of a Provisional Statement, no further representations from relevant Responsible Authorities or Interested Parties can be taken into account unless:
- They concern matters which could not have been addressed at the Provisional Statement stage, or
 - They reflect a change in the applicant's circumstances.
- 20.6 In addition, the Council may refuse the Premises Licence (or grant it on terms different to those attached to the Provisional Statement) only by reference to matters:
- Which could not have been raised by way of representations at the

- Provisional Statement stage;
- Which, in the Council's opinion, reflect a change in the Operator's circumstances; or
- Where the premises has not been constructed in accordance with the plan and information submitted with the Provisional Statement application. This must be a substantial change to the plan and this Authority would discuss any concerns it has with the applicant before making a decision.

21. Betting Machines

- 21.1 While the Council has authority as to the number, nature, and circumstances of use of betting machines, it will consider limiting the number where there is clear evidence that such machines have been or are likely to be used in breach in the Licensing Objectives. Where there is such evidence, this authority may consider, when reviewing the licence, the ability of staff to monitor the use of such machines.

22. Reviews

- 22.1 Requests for a review of a Premises Licence can be made by Responsible Authorities or Interested Parties; however, it is for the Council to decide whether the review is to be carried out. This will be on the basis of whether the request for the review is relevant to the matters listed below;
- In accordance with any relevant Code of Practice issued by the Commission;
 - In accordance with any relevant Guidance issued by the Commission;
 - Reasonably consistent with the licensing objectives; and
 - In accordance with this Statement.
- 22.2 The request for the review will also be subject to the consideration by the Council as to whether the request is frivolous, vexatious, irrelevant, repetitious or whether it will certainly not cause this Council to wish to alter/revoke/suspend/remove the Licence, or whether it is substantially the same as previous representations or requests for review.
- 22.3 The Council can also initiate a review of a particular Premises Licence, or a particular class of Premises Licence on the basis of any reason which it thinks is appropriate.
- 22.4 The Council will carry out a review of a premises licence where it has received a formal application for review in accordance with the Act that is relevant to one or more of the Licensing Objectives. Representations may be that activities, including the following, are taking place:
- a. use of licensed premises for the sale and distribution of class a drugs and the laundering of the proceeds of drugs crimes;
 - b. use of licensed premises for the sale and distribution of illegal firearms;

- c. use of licensed premises for prostitution or the sale of unlawful pornography;
 - d. use of licensed premises as a base for organised criminal activity;
 - e. use of licensed premises for the organisation of racist, homophobic or sexual abuse or attacks;
 - f. use of licensed premises for the sale of smuggled tobacco or goods;
 - g. the use of licensed premises for the sale of stolen goods;
 - h. children and/or vulnerable persons are put at risk.
- 22.4 Once a valid application for a review has been received by the Authority, representations can be made by Responsible Authorities and Interested Parties during a 28 day period. This period begins 7 days after the application was received by the Authority, who will publish notice of the application within 7 days of receipt.
- 22.5 The Council must carry out the review as soon as possible after the 28 day period for making representations has passed.
- 22.6 The purpose of the review will be to determine whether the Authority should take any action in relation to the Licence. If action is justified, the options open to the Authority are:-
- (a) Add, remove or amend a Licence condition imposed by the ;
 - (b) Exclude a default condition imposed by the Secretary of State or Scottish Ministers (e.g. opening hours) or remove or amend such an exclusion;
 - (c) Suspend the Premises Licence for a period not exceeding three months; and
 - (d) Revoke the Premises Licence.
- 22.7 In determining what action, if any, should be taken following a review, the Authority must have regard to the principles set out in Section 153 of the Act, as well as any relevant representations.
- 22.8 In particular, the Council as Licensing Authority may also initiate a review of a Premises Licence on the grounds that a holder of a Premises Licence has not provided facilities for gambling at the premises. This is to prevent people from applying for licences in a speculative manner without intending to use them.
- 22.9 Once the review has been completed, the Authority must, as soon as possible, notify its decision to:
- The holder of the premises licence;
 - The applicant for review (if any);
 - The Gambling Commission;
 - Any person who made representations;
 - The Chief Officer of Police or Chief Constable; and
 - Her Majesty's Commissioners for Revenue and Customs

PART C
Permits / Temporary & Occasional Use Notice

- 23. Unlicensed Family Entertainment Centre Gaming Machine Permits (Statement of principles on Permits – Section 247 of the Act and Schedule 10 Paragraph 7)**
- 23.1 Where a premises does not hold a Premises Licence but wishes to provide gaming machines, it may apply to the Council as Licensing Authority for this Permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use in accordance with the requirements of Section 238 of the Act.
- 23.2 Schedule 10, Paragraph 7 of the Act states that an Authority may *“prepare a statement of principles that they propose to apply”* in determining the suitability of an applicant for a Permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission under Section 25 of the Act. The Guidance also states at Paragraph 24.8 *“In its Statement of Policy, a Licensing Authority may include a statement of principles that it proposes to apply when exercising its functions in considering applications for Permits..... Licensing Authorities may wish to give weight to matters relating to protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group.”*
- 23.3 Guidance also states at Paragraph 24.9 that *“An application for a Permit may be granted only if the Licensing Authority is satisfied that the premises will be used as an Unlicensed Family Entertainment Centre, and if the Chief Officer of Police has been consulted on the application....Licensing Authorities may also consider asking applicants to demonstrate:*
- *A full understanding of the maximum stakes and prizes of the gambling that is permissible in Unlicensed Family Entertainment Centres;*
 - *That the applicant has no relevant convictions (those that are set out in Schedule 7 of the Act); and*
 - *That employees are trained to have a full understanding of the maximum stakes and prizes.”*
- 23.4 It should be noted that a Council cannot attach conditions to this type of Permit.
- 23.5 Statement of principles – The Council will expect applicants to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits, however, they may include
- Appropriate measures/training for staff as regards suspected truant school children on the premises

- Measures/training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on/around the premises.

23.6 In accordance with Guidance, the Council expects that applicants to be able to demonstrate:

- A full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed FECs;
- That the applicant has no relevant convictions as are set out in Schedule 7 of the Act
- Staff are trained to have a full understanding of the maximum stakes and prizes.
- This Council also expects applicants to provide a plan in support of their application. The plan must clearly show the extent of the boundary or perimeter of the premises and the location at the premises in which the Category D gaming machines will be made available for use in reliance on the Permit. The plans should include entrance/ exit(s), fixed furniture/fittings, location of the various gaming machines and supervisory station(s)).
- Public Liability Insurance certificate for a minimum cover of £10 million.
- Operating schedule outlining how the applicant proposes to promote the Licensing Objectives.
- The applicant (individual or each company director) will provide a recent (within one month of issue) DBS check together with a list of all staff names to be employed at the premises, such a list to be updated following the termination or employment of any new member of staff. a recent (within one month of issue) DBS check will be required for each employee before they take up their relevant post.

23.7 Given that the premises is likely to appeal particularly to children and young persons, the Council as Licensing Authority will give considerable weight to matters relating to the protection of children from being harmed or exploited by gambling and to ensure that staff supervision adequately reflects the level of risk to this group.

- a permit shall cease to have effect at the end of the period of ten years beginning with the date specified unless it ceases to have effect before that time in accordance with legislation, or it is renewed.
- a permit shall lapse if the holder ceases to occupy the premises specified.
- a permit shall not take effect if on the date specified the person to whom the permit is issued is not an occupier of the premises as specified.
- a permit shall lapse if the licensing authority notify the holder that the premises are not being used as a family entertainment centre (premises used wholly or mainly for use of gaming machine not above category d as defined in the act).
- a permit shall lapse if the holder ceases to exist, or goes into liquidation (within the meaning of Section 247(2) of the Insolvency Act 1986).
- a permit shall cease to have effect if the holder gives to the licensing authority notice of surrender, and either the permit, or a statement explaining why it is

not reasonably practicable to produce the permit.

24. (Alcohol) Licensed Premises Gaming Machine Permits & Automatic Entitlement
(Section 283 of the Act and Schedule 13 Paragraph 4(1))
(Section 282 of the Act)

Permit: 3 or more gaming machines

- 24.1 Under Section 283 of the Act, the holder of an appropriate alcohol Premises Licence granted under the Licensing Act 2003 (the Premises Licence must include the retail sale of alcohol as a licensable activity for consumption on the premises, there must be a bar at the premises from which the alcohol is served without a requirement that alcohol is served only with food) may apply for a Permit if they wish to make available for use at the premises more than two gaming machines drawn from Category C and/or D. The Council must consider any application for a Permit based upon the licensing objectives, any guidance issued by the Commission issued under Section 25 of the Act, and *“such matters as they think relevant”*.
- 24.2 The Council considers that *“such matters”* will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from harmed or being exploited by gambling and will expect applicants to satisfy the Authority that there will be sufficient measures to ensure that persons under 18 years do not have access to the adult only gaming machines. Measures which will satisfy the Council that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff who will monitor that the machines are not being used by those under 18. Notices and signage may also be help. As regards the protection of vulnerable persons, applicants may wish to consider the provision of information leaflets / helpline numbers for organisations such as GamCare.
- 24.3 It is recognised that some alcohol licensed premises may apply for a Premises Licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for and dealt with as an Adult Gaming Centre Premises Licence.
- 24.4 It should be noted that the Council can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.
- 24.5 It should also be noted that the holder of a Permit must comply with any Code of Practice issued by the Commission about the location and operation of the machine.

Automatic entitlement: Maximum of 2 gaming machines

- 24.6 Under Section 282 of the Act, the holder of an appropriate alcohol Premises Licence granted under the Licensing Act 2003 (the Premises Licence must

include the retail sale of alcohol as a licensable activity for consumption on the premises, there must be a bar at the premises from which the alcohol is served without a requirement that alcohol is served only with food) may give notice to the Authority that they wish to take advantage of the automatic entitlement to provide at the premises a maximum of two gaming machines again drawn from either Category C and/or D. There is no application process, however the holder of the Premises Licence is required to formally notify the Council prior to making gaming machines available for use.

- 24.7 However, the Council can remove the automatic authorisation in respect of any particular premises if:
- Provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
 - Gaming has taken place on the premises that breaches a condition of Section 282 of the Act, for example the gaming machines have been made available in a way that does not comply with requirements on the location and operation of the gaming machines;
 - The premises are mainly used for gaming; or
 - An offence under the Act has been committed on the premises.
- 24.8 The holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine. Alcohol licensed premises are able to provide some equal chance gaming. Licensees are referred to the advice provided by the Gambling Commission in this regard.
- 24.9 As regards the protection of vulnerable persons applicants may wish to consider the provision of information leaflets/helpline numbers for organisations such as GamCare as well as the promotion of a Responsible Gambling Policy and self-exclusion process.
- 24.10 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for and dealt with as an Adult Gaming Centre premises licence.
- 24.11 The Council can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for. Conditions (other than these) cannot be attached.

25. Prize Gaming Permits

- 25.1 Schedule 14, Paragraph 8(1) of the Act states that an Authority may “*prepare a statement of principles that they propose to apply in exercising their functions under this Schedule*” which “*may, in particular, specify matters that the Licensing Authority proposes to consider in determining the suitability of*

the applicant for a Permit.”

25.2 Statement of principles - This Authority will expect that applicants should set out the types of gaming that they are intending to offer and they should also be able to demonstrate:

- That they understand the limits to stakes and prizes that are set out in regulations;
- That the gaming offered is within the law; and
- Clear policies that outline the steps to be taken to protect children from harm.

25.3 In accordance with the provisions of Schedule 14, Paragraph 8(3) of the Act, the Authority, when making its decision on an application for a Permit, does not need to (but may) have regard to the licensing objectives but must have regard to any Guidance issued by the Commission.

25.4 It should be noted that there are conditions in the Act by which the holder of the Permit must comply, but that the Authority cannot attach conditions. The conditions in the Act are:

- The limits on participation fees, as set out in regulations, must be complied with;
- All chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
- The prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
- Participation in the gaming must not entitle the player to take part in any other gambling.

26. Club Gaming and Club Machines Permits

26.1 Members Clubs and Miners' Welfare Institutes (but not Commercial Clubs) may apply for a Club Gaming Permit which authorises an establishment to provide gaming machines as well as equal chance gaming and games of chance as prescribed in regulations, namely pontoon and chemin de fer. Up to a maximum of three gaming machines drawn from categories B3A, B4, C or D maybe provided, but only one B3A machine may be sited as part of this entitlement.

26.2 If a Club does not wish to have the full range of benefits permitted by a Club Gaming Permit or if they are a Commercial Club, then they may apply for a Club Machine Permit. This authorises gaming machines to be provided in accordance with the following requirements:

- Members Clubs and Miners' Welfare Institutes - maximum of three

- gaming machines drawn from categories B3A, B4, C or D. Only one B3A machine may be sited as part of this entitlement.
- Commercial Clubs - maximum of three gaming machines drawn from categories B4, C or D.
- 26.3 Guidance states at Paragraph 25.4 that *"Members' clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming unless the gaming is restricted to that of a prescribed kind (currently bridge or whist). Members' clubs must be permanent in nature but there is no need for a club to have an alcohol licence."*
- 26.4 The Guidance also states at Paragraph 25.38 that *"Licensing Authorities may only refuse an application on the grounds that:*
- (a) *The applicant does not fulfil the requirements for a Members' or Commercial Club or Miners' Welfare Institute and therefore is not entitled to receive the type of Permit for which it has applied;*
 - (b) *The applicant's premises are used wholly or mainly by children and/or young persons;*
 - (c) *An offence under the Act or a breach of a Permit has been committed by the applicant while providing gaming facilities;*
 - (d) *A Permit held by the applicant has been cancelled in the previous ten years; or*
 - (e) *An objection has been lodged by the Commission or the Police."*
- 26.5 There is also a 'fast-track' procedure available under Schedule 12, Paragraph 10 of the Act in respect of premises which also benefit from a Club Premises Certificate granted under the Licensing Act 2003. As the Guidance states at Paragraphs 25.41 & 25.43, *"Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the Police, and the grounds upon which an Authority can refuse a permit are reduced."* and *"The grounds on which an application under this process may be refused are that:*
- (a) *The Club is established primarily for gaming, other than gaming prescribed by Regulations under Section 266 of the Act;*
 - (b) *In addition to the prescribed gaming, the applicant provides facilities for other gaming;*
 - (c) *A Club Gaming Permit or Club Machine Permit issued to the applicant in the last ten years has been cancelled."*
- 26.6 There are statutory conditions on Club Gaming Permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a Code of Practice about the location and operation of gaming machines.

27. Temporary Use Notices

- 27.1 Temporary Use Notices allow the use of premises for gambling where there is

no Premises Licence in effect, however the holder of an appropriate operating licence wishes to use a premises temporarily for providing facilities for gambling. At Paragraph 14.1 of the Guidance, the Commission have suggested that premises that might be suitable for a Temporary Use Notice would include hotels, conference centres and sporting venues. Temporary Use Notices are often, but not exclusively, used to run poker tournaments.

27.2 Secondary legislation, The Gambling Act 2005 (Temporary Use Notices) Regulations 2007 sets out the restrictions on the type of gambling to be offered under a Temporary Use Notice. These restrictions are:

- It can only be used to offer gambling of a form authorised by the operator's operating licence, and consideration should therefore be given as to whether the form of gambling being offered on the premises will be remote, non-remote, or both;
- Gambling under a Temporary Use Notice may only be made available on a maximum of 21 days in any 12-month period for any or all of a named set of premises;
- It can only be used to permit the provision of facilities for equal chance gaming, and where the gaming in each tournament is intended to produce a single overall winner;
- Gaming machines may not be made available under a Temporary Use Notice.

27.3 There are a number of statutory limits regarding Temporary Use Notices. The meaning of "premises" in Part 8 of the Act is discussed in Part 7 of the Guidance. As with "*premises*", the definition of "*a set of premises*" will be a question of fact in the particular circumstances of each notice that is given. In the Act "*premises*" is defined as including "*any place*".

27.4 In considering whether a place falls within the definition of "a set of premises", the Authority needs to look at, amongst other things, the ownership/occupation and control of the premises.

27.5 The Council is likely to object to notices where it appears that their effect would be to permit regular gambling in a place that could be described as one set of premises.

28. Occasional Use Notices:

28.1 The intention of Occasional Use Notices is to permit licensed betting operators with appropriate permission from the Commission, to use tracks for short periods for conducting betting, where the event upon which the betting is to take place is of a temporary, infrequent nature. The Occasional Use Notice must be served by a person who is responsible for administration of events on the track or by an occupier of a track.

28.2 The Council has very little discretion as regards these notices, except for ensuring that the statutory limit of 8 days in a calendar year is not exceeded. This Authority will, however, consider the definition of a 'track' and whether

the applicant is permitted to avail him/herself of the notice. A 'track' includes horse racecourses or dog tracks, but also any other premises on any part of which a race or other sporting event takes place or is intended to take place. Land therefore which has a number of uses, one of which fulfils the definition of a track, can qualify for the Occasional Use Notice provisions (for example agricultural land upon which a point-to-point meeting takes place).

- 28.3 Betting operators cannot provide gaming machines at tracks by virtue of an Occasional Use Notice.

29. Complaints

- 29.1 The Council will investigate complaints against licensed premises in relation to matters relating to the Act and the Licensing Objectives for the activities under the Act for which it has responsibility. Other matters will be referred to the Gambling Commission.
- 29.2 However, in the first instance, complainants are encouraged to raise the complaint directly with the licensee or business concerned to seek a local resolution.
- 29.3 Where an interested party has made valid representations about licensed premises, or a valid application for a licence to be reviewed, the council may initially recommend a conciliation meeting to address and clarify the issues of concern.
- 29.4 This process will not override the right of any interested party to ask that the Licensing Committee consider their valid objections/representations, or for any licence holder to decline to participate in a conciliation meeting.
- 29.5 Due consideration will be given to all relevant representations unless they are considered to be irrelevant, frivolous, vexatious, or repetitious.

30.0 Further information

- 30.1 Further information about the Gambling Act 2005, this Statement of Gambling Policy and about the application process, including application forms and guidance notes can be obtained from:

Environmental Health & Licensing Team
Community Services
Crawley Borough Council Town Hall
The Boulevard
West Sussex
RH10 1UZ

Tel: **01293 438027**
Fax: **01293 438604**
Email: licensing@crawlley.gov.uk
Website: www.crawley.gov.uk

Information is also available from

Gambling Commission
Victoria Square House
Victoria Square
Birmingham
B2 4BP

Tel: **0121 230 6500**
Website: www.gamblingcommission.gov.uk

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APPENDIX A – PLAN OF THE CRAWLEY BOROUGH COUNCIL AREA

Borough of Crawley



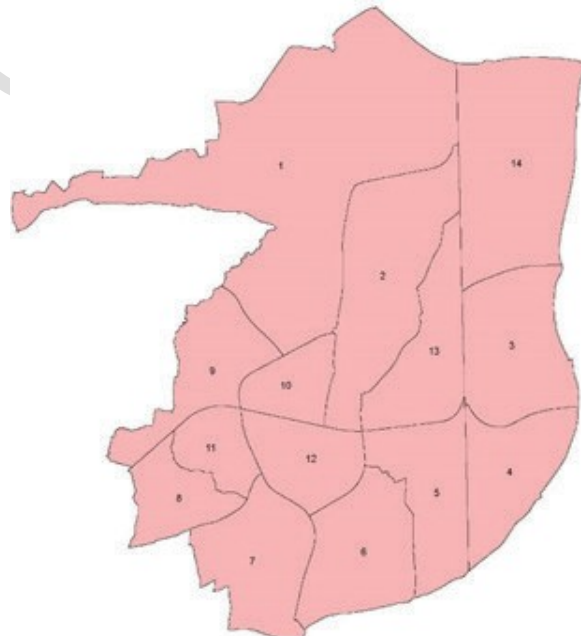
Shown within West Sussex

Geography

Status:	Borough
Region:	South East England
Admin. County:	West Sussex
Area:	44.97 km ²
Admin. HQ:	Crawley

Neighbourhoods of Crawley

1. Langley Green
2. Northgate
3. Pound Hill
4. Maidenbower
5. Furnace Green
6. Tilgate
7. Broadfield
8. Bewbush
9. Ifield
10. West Green
11. Gossops Green
12. Southgate
13. Three Bridges
14. Forge Wood



APPENDIX B Table of delegations of licensing functions under the Gambling Act 2005

Matter to be dealt with	Full Council	Sub-committee of licensing committee	Officers
Three-year Licensing Policy	•		
Policy not to permit casinos	•		
Fee Setting - when appropriate		Portfolio holder	
Application for premises licences		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a variation to a licence		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Application for a transfer of a licence		Where representations have been received from the Commission	Where no representations received from the Commission
Application for a provisional statement		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn

Review of a premises licence		•	
Application for club gaming /club machine permits		Where representations have been received and not withdrawn	Where no representations received/ representations have been withdrawn
Cancellation of club gaming/ club machine permits		•	
Applications for other permits			•
Cancellation of licensed premises gaming machine permits			•
Consideration of temporary use notice			•
Decision to give a counter notice to a temporary use notice		•	
Determination as to whether a person is an Interested Party			•
Determination as to whether representations are relevant			•
Determination as whether a representation if frivolous, vexatious, or repetitive			•

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APPENDIX C – RESPONSIBLE AUTHORITY DETAILS

Licensing Authority

Health, Safety and Licensing Manager, Crawley Town Hall, The Boulevard, Crawley, RH10 1UZ

Tel: 01293 438023 Email: Licensing@crawley.gov.uk Website: www.crawley.gov.uk

Environmental Health (Pollution)

Pollution Team, Crawley Town Hall, The Boulevard, Crawley, RH10 1UZ

Tel: 01293 438000 Email: EnviromentalServices@crawley.gov.uk Website: www.crawley.gov.uk

Health and Safety

Health and Safety Team, Crawley Town Hall, The Boulevard, Crawley, RH10 1UZ

Tel: 01293 438000 Email: EnviromentalServices@crawley.gov.uk Website: www.crawley.gov.uk

Planning Services

Environmental Health (Pollution)

Planning Team, Crawley Town Hall, The Boulevard, Crawley, RH10 1UZ

Tel: 01293 438000 Email: Developmentcontrol@crawley.gov.uk Website: www.crawley.gov.uk

Gambling Commission

Victoria Square House, Victoria Square, Birmingham, B2 4BP - Tel: 0121 230 6666

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Fax: 0121 230 6720 - Email: info@gamblingcommission.gov.uk - Website: www.gamblingcommission.gov.uk

HM Revenue and Customs (HMRC)

HM Revenue and Customs National Registration Unit Portcullis House, 21 India Street Glasgow, G2 4PZ

Excise Processing Teams, BX9 1GL, United Kingdom - Tel: 0300 322 7072 Option 7 - Email: nrubetting&gaming@hmrc.gsi.gov.uk - Website: www.hmrc.gov.uk

West Sussex Safeguarding Children Partnership

West Sussex Local Safeguarding Children Board, c/o Children's Safeguarding Unit, Room 24, Durban House, Bognor Regis, West Sussex, PO22 9RE - Tel: 03302 223337 - Email: cpu.team@westsussex.gcsx.gov.uk - Website:

www.westsussex.gov.uk

Sussex Police

Chief Officer of Sussex Police, c/o Licensing Officer, Sussex Police, Centenary House, Durrington Lane, Worthing, West Sussex, BN13 2PQ - Tel: 0845 60 70 999 or 101 - Fax: 01243 843637 - Email: WS_Licensing_WOR@sussex.pnn.police.uk -

Website: www.sussex.police.uk

West Sussex Fire and Rescue Service

Business Fire Safety, West Sussex Fire & Rescue Service, Horsham Fire Station,
Hurst Road, Horsham, West Sussex, RH12 2DN- Tel: 0330 222 3333 - Email:
businessfiresafety@westsussex.gov.uk - Website: www.westsussex.gov.uk

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APPENDIX D – CONSULTEES - POLICY STATEMENT

Includes:

Councillors of Crawley Borough Council

West Sussex County Councillors

Henry Smith, MP

Responsible Authorities as specified at Appendix C

Mr Andy Isaacs, Compliance Manager, Gambling Commission

Adults' Services, West Sussex County Council

Holders of existing permissions granted under the Gambling Act 2005

Community Safety Partnership (CSP)

British Amusement Catering Trade Association (BACTA)

Association of British Bookmakers (ABB)

Bingo Association

National Casino Forum

Hospice Lotteries Association

Lotteries Council

Remote Gambling Association (RGA)

The Racecourse Association Limited

British Horse Racing Authority (BHA)

British Beer and Pub Association (BBPA)

GambleAware

GamCare

Gamblers Anonymous

Other Gambling Support Organisations

Licensing Consultants who have contacted the Council and requested to be consulted

Citizens Advice Bureau

Children's Safeguarding Unit, West Sussex County Council

HM Revenues and Customs

Crawley Local Strategic Partnership

Representatives of the licence holders for premises in the Borough who are affected by this policy

Members of the public who are affected by this policy

Crawley and Gatwick Business Watch

Crawley Business Improvement District (BID)

Internal Partners responsible for Community Safety, Development Control and Economic Development

NB A full list of consultees will be held by the Council

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**APPENDIX E – SUMMARY OF GAMING MACHINE CATEGORIES AND ENTITLEMENTS
(This is subject to change)**

Category of machine	Maximum stake	Maximum prize
A	Unlimited – No category A gaming machines are currently permitted	
B1	£5	£10,000*
B2	£2	£500
B3A	£2	£500
B3	£2	£500
B4	£2	£400
C	£1	£100
D - Non-money prize	30p	£8
D - Non-money prize (crane grab machines only)	£1	£50
D - Money prize	10p	£5
D - Combined money and non-money prize	10p	£8 (of which no more than £5 may be a money prize)
D - Combined money and non-money prize (coin pusher or penny falls machine only)	20p	£20 (of which no more than £10 may be a money prize)

* With option of maximum £20,000 linked progressive jackpot on premises basis only

APPENDIX F MAXIMUM FEES & CHARGES (UNDER REVIEW)

APPENDIX G

Glossary of terms

Within this Statement of Gambling Policy, the following words and terms are defined as stated:

The Act	Gambling Act 2005
Licensing objectives	As defined in the Act and Statement of Licensing Policy
Council	Means Crawley Borough Council as
District	Means the area of West Sussex administered by Crawley Borough Council – see map in Appendix A
Licence	As defined in section 1.4 below.
Applications	Means applications for Licences or Permits defined in section 1.4 below.
Notifications	Means notifications of Temporary Use Notices, Occasional Use Notices, and licensed premises gaming machine notices
Act	Means the Gambling Act 2005
Regulations	Means Regulations made under the Gambling Act 2005
Premises	Means any place and includes a vehicle, vessel, or moveable structure
Code of practice	Means any relevant code of practice under Section 24 of the Gambling Act 2005
Mandatory condition	Means any specified condition provided by regulations to be attached to a licence
Betting machines	These are machines on the shop floor of the betting office through which a customer can place a bet without having to visit the counter, not to be confused with AWP's.
Responsible authority	For the purposes of the Gambling Act 2005, the following are responsible authorities in relation to premises: <ul style="list-style-type: none"> • The Licensing Authority (Crawley Borough Council) • The Gambling Commission • Sussex Police • West Sussex Fire and Rescue Service • Head of Planning Services, Development Control, Crawley Borough Council

- Head of Environmental Services, Crawley Borough Council
- Children’s Safeguarding Unit, Social Services, West Sussex County council (WSCC)
- HM Revenues and Customs

Interested party

For the purposes of the Gambling Act 2005, a person is an interested

party in relation to a premises licence if, in the opinion of the Licensing Authority which issues the licence or to which the application is made, the person:

- Lives sufficiently close to the premises to be likely to be affected by the authorised activities.
- Has business interests that might be affected by the authorised activities; this could also include, for example, trade associations, charities, faith groups and medical practices.
- Represents persons who satisfy either of the above; for example Residents’ and Tenants’ Associations.
- When considering whether a person is an “interested party,” each case will be judged on its merits taking into consideration the relevant circumstances, including those contained in the Gambling Commission’s Guidance to Local Authorities.

Applications authorisations

Applications for licences and permits as defined in paragraph 1.15 and 1.16.

Authorised local authority officer

A Licensing Authority Officer who is an authorised person for a purpose relating to premises in that authority’s area.

Authorised person

A Licensing Officer and an officer of an authority other than a Licensing

Authority, both of whom have been authorised for a purpose relating to premises in that authority’s area. The following are considered authorised persons:

- Inspectors appointed under the Fire Precautions Act 1971;
- Inspectors appointed under the Health and Safety at Work, etc. Act 1974
- Inspectors or Surveyors of ships appointed under the Merchant Shipping Act 1995;
- A person in a class prescribed in regulations by the secretary of State.

Automated roulette equipment

Two types: a. Linked to a live game of chance, e.g., Roulette
b. Plays live automated game, i.e., operates without human

	intervention
Automatic conditions	Conditions attached automatically to premises licences or authorisations. The Licensing Authority has no discretion not to include or modify them.
AWP machines	Amusement with Prizes Machines e.g., certain fruit machines
BACTA	British Amusement Catering Trade Association
Betting intermediary	Offers services via remote communication, such as the internet.
Betting ring betting machines bingo casino	An area that is used for temporary 'on course' betting facilities. A machine designed or adapted for use to bet on future real events (not a Gaming Machine) where a bet can be placed on the shop floor without the need to visit the counter. A game of equal chance. An arrangement whereby people are given an opportunity to participate in one or more casino games.
Casino games	Games of chance that are not equal chance gaming.
Casino premises licence categories	a) Regional Casino Premises Licence b) Large Casino Premises Licence c) Small Casino Premises Licence d) Casinos permitted under transitional arrangements
Casino resolution	Resolution not to issue Casino Premises
Child	Individual who is less than 16 years old.
Club gaming machine permit	Permit to enable the premises to provide gaming machines (three machines of Categories B, C or D)
Code of Practice	Means any relevant code of practice under section 24 of the Gambling Act 2005
Complex Lottery	An arrangement where: <ul style="list-style-type: none">• Persons are required to pay to participate in the arrangement;• In the course of the arrangement, one or more prizes are allocated to one or more members of a class;• The prizes are allocated by a series of processes; and• The first of those processes relies wholly on chance.
Council	Crawley Borough Council
Customer lotteries	Lotteries run by the occupiers of business premises who sell tickets only to customers present on their premises. These lotteries may not be conducted on vessels.
Default conditions	Conditions that will apply unless the Licensing Authority decide to exclude them. This may apply to all Premises Licences, to a class of Premises Licence or Licences for specified

	circumstances.
Delegated powers	Decisions delegated either to a Licensing Committee, Sub-Committee or Licensing Officers.
Domestic computer	Definition in forthcoming Regulations. Exempt from a Gaming Machine Permit.
Disorder	No set interpretation, however, likely to be connected to the way gambling is being conducted. In the case of gambling premises licences, disorder is intended to mean activity that is more serious and disruptive than mere nuisance.
Equal chance gaming	Games that do not involve playing or staking against a bank and where the chances are equally favourable to all participants
EBT	Electronic Bingo Ticket Minder. Electronic equipment operated by a Bingo Operators Licence for playing bingo
Exempt Lotteries	<p>Lotteries specified in the Gambling Act as permitted to be run without a licence from the Gambling Commission. There are four types:</p> <ul style="list-style-type: none"> • Small Society Lottery (required to register with Licensing Authorities. • Incidental Non-Commercial Lotteries e.g. Raffle at a dance/church fair • Private Lotteries e.g., Raffle at a student hall of residence • Customer Lotteries e.g., Supermarket holding a hamper raffle
External Lottery manager	An individual, firm or company appointed by the Small Lottery Society to manage a lottery on their behalf. They are consultants who generally take their fees from the expenses of the lottery.
Fixed odds betting	General betting on tracks
Fixed odds betting terminal	A category B2 gaming machine
Game of chance	A game of chance can include an element of chance and an element of skill. This does not include a sport.
Gaming	Playing a game of chance for a prize.
Gaming machine	Machine covering all types of gambling activity, including AWP machines and betting on virtual events
Unlicensed Family Entertainment Centre	Unlicensed family entertainment centres (UFECs) family entertainment centre is only entitled to Category D machines (low stake) and permits last for 10 years

Categories	Max Prize
Max. Stake	
A Unlimited	
B1 £2	£4,000
B2 £100	£500
B3 £1	£500
B4 £1	£250
C 50p	£25
D 10p or 30p*	£5 or £8*

*When non-monetary prize only

B2 machines are subject to change following Central government policy changes in 2018.

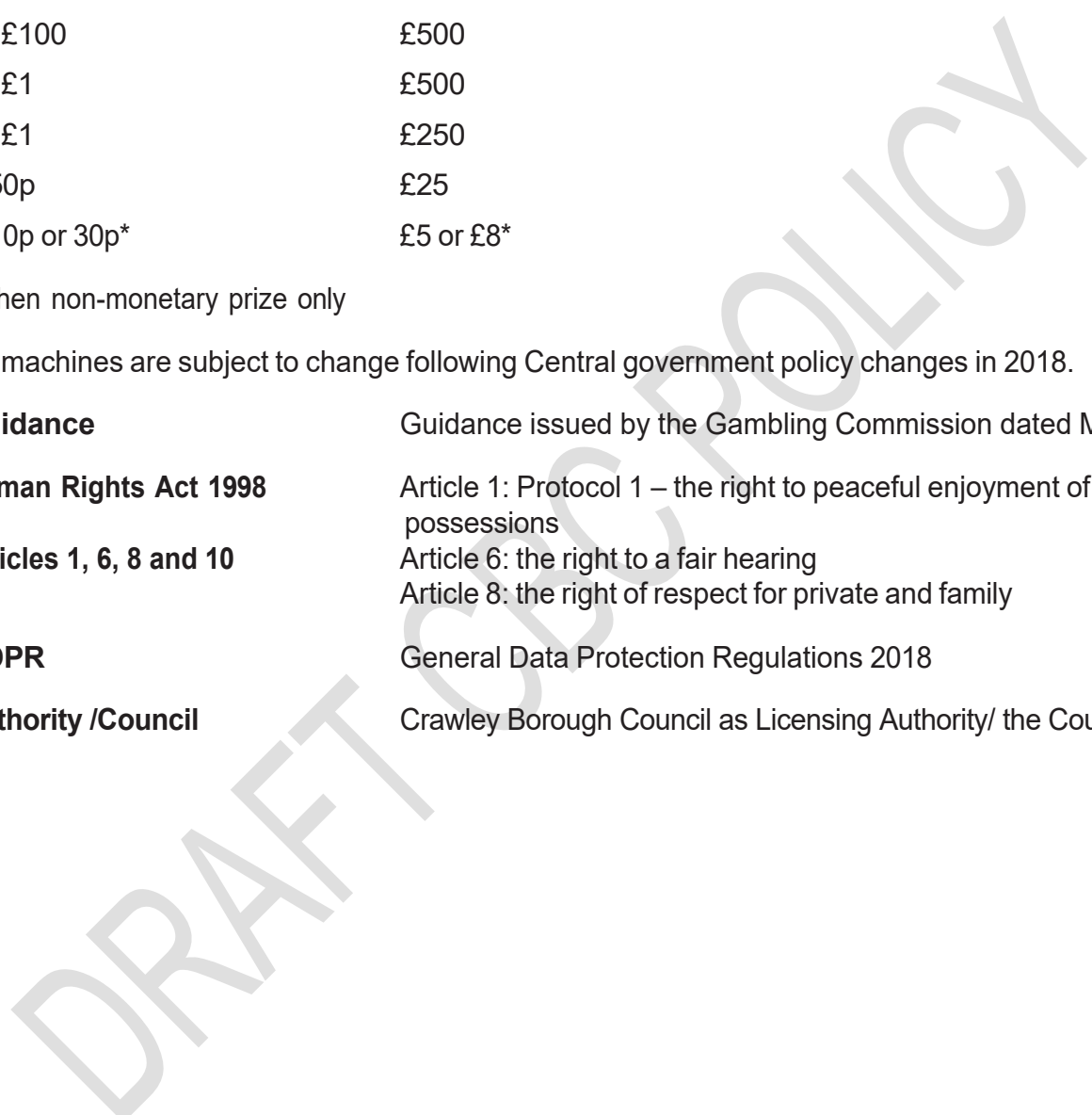
Guidance Guidance issued by the Gambling Commission dated May 2009.

Human Rights Act 1998 Article 1: Protocol 1 – the right to peaceful enjoyment of possessions

Articles 1, 6, 8 and 10 Article 6: the right to a fair hearing
Article 8: the right of respect for private and family

GDPR General Data Protection Regulations 2018

Authority /Council Crawley Borough Council as Licensing Authority/ the Council



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Appendix B - Consultation Feedback

Member of the Licensing Committee -

I have the following comments

- 1) *Whilst I appreciate online gambling is not part of the councils remit – I feel that online gambling is likely to feature highly in the overall situation*
 - a. *Do we have facilities for online problem gambling to be reported **This is reportable to the Gambling Commission***
 - b. *Do the ISPs have facilities to block gambling sites from a household / mobile device **This would be via the Gambling Commission***
 - c. *Is there any guidance we can offer people, could we approach the broadband providers with guidance **This would be via the Gambling Commission***

- 2) *Do we have links to other agencies on the CBC website?*
We are currently updating our website to include links to GamCare and other support agencies. There is a Responsible Authorities, a list of other organisations and email addresses to be incorporated.
 - a. *Are we as joined up as we could be?*
I believe we are. We work in partnership with statutory partners but particularly Sussex Police, Public Health and the Gambling Commission as well as Pubwatch.
 - b. *Do we collect information when gambling is the root cause of other behaviour – such as financial issues, shoplifting, theft, muggings ... domestic violence (which ones are drug fuelled, gambling ... other)?*
Crime statistics are available and called upon but the root cause/causal link is hard to prove and ASB/Crime has not been directly linked to gambling per se.
 - c. *Do we ask for reports from newsagents and bars – when they see problem behaviour?*
Yes – via Pubwatch and Shopwatch

- 3) *How do we warn younger people about the dangers of gambling – before it becomes a problem?*
I believe that this should form part of PHSE education in schools but it is not currently. Gambling premises are not allowed to include marketing that might appeal to under 18s, and must have information available to over 18s using the premises about problem gambling, the ability to self-exclude and sources of support and help for problem gamblers
 - a. *School visits - See above that I am of the view that it should form part of PHSE education but I don't believe it does*
 - b. *Online adverts on social media – Agreed*
 - c. *Noticeboard information - Agreed*
 - d. *Confidential advice - See above*
 - e. *What the position on random loot boxes in gaming (should we ask the government to pressure the gaming industry for their removal) I am not sure what you mean by this?*

If you see social media and TV adverts, there is always a message regarding responsible gambling and over 18s. This is a legal requirement where they are UK registered.

- 4) *What about warnings for what could be perceived as low level gambling*
 - a. *National Lottery / Euro Millions **Managed by the Gambling Commission***
 - b. *Grand National **Managed by the Gambling Commission***
 - c. *Work / organisation gambling used for fund raising.*
 - d. *Scratch cards **Managed by the Gambling Commission***

Hopefully, this email may prompt some changes and improvement to what looks like is going to be a good policy.”

Review of the Statement of Licensing Policy Gambling Act HCS18

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Crawley Borough Council

Report to Overview & Scrutiny Commission
21 November 2022

Report to Cabinet
23 November 2022

Budget Strategy Mid-Year Review 2022

Report of the Head of Corporate Finance, **FIN/596**

1. Purpose

- 1.1 The 2023/2024 General Fund and Housing Revenue Account Budgets and the updated capital programme will be determined by the Full Council in February 2023. This report sets out the projected financial position for 2023/24 to 2027/28 for the General Fund and the underlying assumptions.
- 1.2 The [Budget Strategy 2023/24 – 2027/28 FIN/583](#) was approved by Full Council on 19 October 2022. That report asked to note that until the Local Government Finance Settlement is known in December 2022 projections are highly likely to change. The report stated that revised projections will be presented to Cabinet in this Mid-Year review due to these constant changes, such as inflation and demands on services such as Homelessness. In addition revenue growth bids, capital bids, and the HRA capital investment plan will also be reported for approval.
- 1.3 The Autumn budget announcements on 17th November 2022 are too late to include within this report, a verbal update of known implications will be given at the meeting.

2. Recommendations

2.1 To the Overview & 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 asked to recommend to Full Council the approval of the Budget Strategy Mid-Year Review 2022 and to:

- a) **Agree the growth items for both the General Fund and Housing Revenue Account as outlined in sections 5.17 and 8.1.**
- b) **Agree the inclusion of new capital schemes in future budgets with the value of £165,000 as identified in section 9.2.**
- c) **Agree an increase in the capital programme for Park Tennis by £111,390 funded from Lawn Tennis Grant as outlined in paragraph 9.3.**

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- d) **Approve the revised Crawley Homes capital investment plan as outlined in Appendix B which includes the financial year 2025/26 and the garage repairs which was transferred to the General Fund.**
- e) **Note the following highlights of the Budget Strategy Mid-Year Review 2022:**
 - i **Note the uncertainties around Government funding prior to the settlement in December and the delay in Local Government Funding reforms such as business rates retention and the future of New Homes Bonus.**
 - ii **Note, for the purpose of projections, the current budget deficit of £201,792 for 2023/24 before use of reserves, on the basis of a Council tax increase of 2.31% which is £4.95 on a Band D in property 2022/23. Future years gaps are shown in section 4.2.**
 - iii **Note that the Gap from 2024/25 will need to be addressed once the finance settlement is announced as there will be insufficient reserves in the long term to fund future gaps. The methodology of approaching the gap is outlined in section 7.**
 - iv **Note that items for the Capital Programme are driven by the need for the upkeep of council assets and environmental obligations and schemes will also be considered that are spend to save or spend to earn but that such prioritisation should not preclude the initial consideration of capital projects that could deliver social value.**
 - v **Note that the Budget is aligned to the Council's Corporate Priorities.**

3. Reasons for the Recommendations

- 3.1 To continue with the implementation of the Council's Budget Strategy and to deal with the Council's projected budget deficit which is higher than previously anticipated due to the impact of increasing inflation, increased homelessness costs, future Council Tax and Business rates income projections and impact of the cost-of-living crisis on other income sources such as fees and charges.
- 3.2 To agree the revised Crawley Homes capital investment plan for inclusion within the capital budget.
- 3.3 To agree growth items and capital schemes outlined in the report.
- 3.4 To note that until the Local Government Finance Settlement is known in December 2022 these projections are highly likely to change.

4. Background

- 4.1 In February 2022, the Council set its Revenue Budget and Capital programme for 2022/23 ([FIN/549](#)); due to the impact of the pandemic on income levels there was still a requirement to budget to use reserves in 2022/23 of **£451,730**. Since then significant overspends have been identified in the current financial year resulting in the use of reserves being in **excess of £1m**, these are identified elsewhere on the agenda.
- 4.2 The [Budget Strategy 2023/24 – 2027/28 FIN/583](#) was approved by Full Council on 19 October 2022. This Strategy agreed to increase fees and charges by an average of 5% for the next financial year, this is less than inflation with CPI standing at 10.1%.

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The report also agreed a provisional increase on a Band D Council Tax of £4.95. The budget gap reported at that time in the report (Table 3) is outlined below.

Table 1 - Budget Strategy Report projections

	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's
Base Budget	15,069	14,788	14,507	14,732	15,066
Investment interest (- receivable, + payable)	-582	176	231	231	231
Net Budget (A)	14,487	14,964	14,738	14,963	15,297
Funded by -					
Council Tax	8,223	8,531	8,866	9,235	9,615
New Homes Bonus	300	300	300	300	300
Retained Business Rates	5,276	5,398	4,941	4,979	5,029
Revenue Support Grant	63	0	0	0	0
Services Grant	251	188	141	106	79
Lower Tier Services Grant	170	128	96	72	54
Total Funding (B)	14,283	14,545	14,344	14,692	15,077
Budget Gap (A-B)	204	419	394	271	220

4.3 Updated projections were provided to the All-Member Finance Seminar on 12th October 2022 together with revenue growth proposals, capital bids and the revised Crawley Homes Investment programme, details of these are included within this report together with other changes that have occurred since.

5. Revised projections – General Fund

5.1 There have been several changes to since the projections above were made, these are highlighted below. Table 2 below identifies the changes to the projected budget gap

Table 2 – Revised budget projections

	Para	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's
Gap reported to Full Council	4.2	204	419	394	271	220
Increase in interest rates	5.2	-457	-1,045	-456	-456	-456
External Audit Fee provision	5.3	89	89	89	89	89
Reduced New Homes Bonus	5.4	59	60	60	60	60
Reduced number of new builds	5.4	112	199	292	392	498
Homelessness	5.5	500	300	150	0	0
Garage Income	5.6	-455	-455	-455	-455	-455
Increased costs of Waste Collection	5.7	40	253	53	53	53
Renewals	5.8	0	300	0	0	0
Sub Total		92	120	127	-46	9
Pay award	5.9	506	524	536	546	557

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Insurance premiums	5.10	94	119	131	138	145
RPI	5.11	8	9	9	9	9
Retained business rates	5.12	-412	-471	-393	-383	-374
Pension contributions	5.13	-77	-1	14	15	15
Other – minor		3	4	4	5	5
Collection Fund Surplus	5.14	-66	0	0	0	0
Bank of England Inflation forecast	5.15	0	-153	-173	-65	58
Covid Impact	5.16	0	194	194	194	194
Subtotal						
Growth Bids						
Energy Efficiency / Transformation*	5.17	53	53	0	0	0
Revised Gap		202	398	449	413	617

*Transformation from the transformation reserve and not the general fund.

This shows a budget gap in the next financial year of £201,792 which increases to £398,315 the following year.

- 5.2 The ongoing conflict in Ukraine has continued to put pressure on global inflation and the 'fiscal event' increased volatility in the UK economy. The Bank of England has reacted by increasing interest rates from 0.75% in March to 2.25%, and they are expected to increase to 5.00% over the coming months, though there is a high degree of uncertainty over how quickly and how high they will increase. The increased rates have had a positive impact on projections due to the Council's investment balances.
- 5.3 The Council opted to procure external Audit through Public Sector Audit Appointment (PSAA) at the Full Council meeting on 23 February 2022 [FIN/559](#). The outcome of the procurement has recently been announced with six suppliers being offered contracts. The contract for Crawley Borough Council is likely to remain with EY, final decisions will be made by 31 December 2022. PSAA have announced that they see a major reset in fees and that it will involve an increase of the order of a 150% increase. This will result in an additional £89,000 fee per annum for the audit. The [press release](#) is on PSAA website.
- 5.4 Projections on New Homes Bonus and the increase in Council tax properties has reduced due to the impact of water neutrality on the numbers of new properties being built in the Town. The original estimate was an increase in the tax base of 2%, this has now lowered to 0.6% for 2023/24, increasing to 1% for future years.
- 5.5 Homelessness – elsewhere on the agenda is the Quarter 2 monitoring report. This shows the homelessness team seeing sustained pressure with 358 households currently in all forms of temporary accommodation. The forecast overspend is £1.152m, therefore projections in future years have been amended to reflect this. The hope is that numbers will fall in future years and the projections have been made to reflect this. The projected additional cost in 2023/24 is now £1.4m, this is an increase from £900,000 projected in the [budget strategy](#) report.
- 5.6 Report [CEX/59](#) was approved by Full Council on 19 October 2022. This was to increase weekly rent to Council Owned garages to help meet the budget gap. The result of this is additional income to the general fund of £455,000 per annum.

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- 5.7 Waste vehicles are now older than 10 years old. There is a provision within the renewals fund to replace, however due to the escalating costs of the vehicles this is insufficient. To lease vehicles and other associated costs will cost an estimated additional £353,000 in a full year with the existing fleet number of vehicles, this however is for diesel, it would be significantly more for electric. The table below shows that the projected cost in future years was £300,000 for a new contract based on initial advice, this has now been increased to £353,000.

Table 3 – Waste Management Costs

	Reported in the Budget Strategy £000's	Revised projection £000's	Increased cost £000's
2023/24	20	60	40
2024/25	100	353	253
2025/26 and future years	300	353	53

- 5.8 Renewals – a provision of £700,000 per annum is set aside for replacement of vehicles, repairs to the Hawth and K2 and for replacements to IT. Assumptions at this stage is that this provision is reduced to £400,000 from 2025/26 once the refuse contract has been relet. This provision will be reviewed in future years based on future budget projections as it would result in borrowing to replace fleet in future. The [budget strategy](#) assumed from 2024/25, therefore a provision for a further year has been included.
- 5.9 The previous provision for a pay award for 2023/24 was 3%, this has been increased across West Sussex by all Districts and Boroughs to 4.5%, this results in additional costs of over half a million per year.
- 5.10 Insurance costs have increased due to the rising costs of labour and materials, and the subsequent increase in rebuild value. Employee insurance costs also rise in line with salary inflation, which has been higher than originally forecast in 2022/23.
- 5.11 RPI is higher than forecast at 12.6%, Septembers RPI is used for the uplift in Crawley Allowance and some contracts.
- 5.12 Retained Business Rates
This strategy assumes that a business rate reset will not be implemented until 2025/26. The business rates forecast has been updated for the latest inflation rates, though the strategy is assuming that the Business Rates Multiplier will be frozen for 2023/24 and that local authorities will be compensated for that.
- 5.13 Pensions contributions
The Council Actuary as advised that despite the financial turmoil over the last two years that the fund is fully funded and as such can be reduced in the next financial year by 1% and a further 0.1% the following year.
- 5.14 Collection Fund Surplus
At the beginning of each year we calculate the numbers of single persons Council tax discount and the value of Council tax reduction, this is adjusted during the year. Numbers of Council tax reduction are less than anticipated as more people are back in work after the pandemic. This results in a surplus; a share of this surplus will also be passed to West Sussex County Council and the Police and Crime Commissioner.
- 5.15 An announcement was made by the Bank of England on inflation forecasts on 3rd November 2022. This reduced the estimates for CPI from previous projections.

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- 5.16 The bounce back from the pandemic with regards to income has not been at the level that has been previously anticipated. This is expected to remain impacting for the foreseeable future. A provision of lost income of £73,000 has been included, in addition £120,000 for water neutrality.
- 5.17 Growth Bids – General Fund
Two bids were presented to the All-Member Seminar on 12th October. These were –

Table 3 – Growth Bids – General Fund

Title	Cost	Duration
Energy Efficiency Officer	£53,000	Two-year fixed term
Digital Team – Channel Shift	£60,000	Two-year fixed term funded from the transformation reserve.

Energy Efficiency Officer

Crawley Borough Council declared a climate emergency in July 2019, pledging to reduce emissions by at least 50%, and as close to net zero as possible by 2030, and to reach net zero by 2040 at the very latest. This post will support co-ordination of building audits which ensure the Council's built assets are supporting the climate emergency pledge.

The post will also support work to ensure compliance with new legislation which requires commercial landlords to ensure any property they are leasing, achieve an EPC rating of E or better from 1 April 2023.

Digital Team – Channel Shift

Channel shift is at the heart of the Council's transformation strategy - delivering efficiencies, income generation and improved customer experience through automation and online self-service - both for customers and staff. The Digital Team is key to much of this work in creating intelligent, integrated forms, portals, book and pay, internal applications and integration between systems to deliver automation.

The Council has a very large existing programme of work to enable channel shift and many more small and large-scale projects on the horizon. However, the capacity of the team is very limited, and there are some gaps in the skills needed to deliver this kind of work.

An extra resource to provide the capacity needed to allow greater pace with channel shift work, as it remains a high demand, high priority area of work for the council. Without it, the Council will not be able to achieve efficiencies and improvements needed in other services areas that will avoid more difficult resourcing decisions in the future. The funding from this would be from the Transformation reserve and would not impact upon the budget gap. This would be a two year post and during the two years any cashable savings identified would be recorded should an application for a permanent growth post be required in future.

Cabinet are requested to approve the growth items for the General Fund as outlined above.

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5.18 Sensitivity Analysis

With there being so many unknowns around inflation the table below shows the impact on the projected gap on making changes to these assumptions. The Table below shows the impact of changes in inflationary factors.

Table 4 – Sensitivity Analysis

	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's
Gap in Table 2 above	202	398	449	413	617
Gap with - An increase in pay by 1% in 23/24	336	538	592	558	766
Pay Increase by 1% less in 23/24	67	259	306	267	469
CPI an additional 1% in 23/24	271	473	525	490	696
CPI 1% Lower in 23/24	133	324	373	335	538

After the budget on 17th November more up to date projections will be available from the OBR. Because of all the uncertainties there is a requirement to leave the general fund balance at its current high level, see 6.1 below.

6. Reserves

6.1 General Fund Reserve

The current year budgeted use of reserves is £451,730, however there is a projected overspend in the current financial year, this will result in use of reserves in the region of £1.35m as projected in the Quarter 2 monitoring report. The General Fund reserve is currently £5.46m. The use of reserves in the current year would take this reserve to £4.11m.

The net budget for the current financial year before the use of reserves is £14.77m. The recommendation is to have a minimum of £3m in the past which is 20% of the net budget. There is therefore an additional £1.186m available in this reserve that is uncommitted. However with so many unknowns around demands on services including homelessness, reduced income due to budgetary pressures and inflation factors together with the uncertainty of letting the upper floors of the new Town Hall this level of reserves should be protected at this stage.

It is highly likely that there will be a need to use reserves to balance the budget in 2023/24, however until the outcome of the Local Government Finance Settlement which is likely to be announced in late December the actual use of reserves will not be known. Based on the impact that the last two years have had on budgets at this stage a minimum of £3m is recommended and a maximum of £5m.

A review of this reserve can take place once the cost-of-living crisis has stabilised, with homelessness figures so high, a reduction at this stage would not be prudent. A provision of 20% is a healthy balance during normal circumstances. Any surplus could be transferred to the capital programme reserve to meet future costs of the programme.

The level of the Gap shown in Table 2 above means that savings, increased income, or efficiencies will have to be sought for the financial year 2024/25. Work will be required early in the new calendar year to identify these savings to ensure a sustainable budget

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is planned in future. Section 7 below outlines the methodology for identifying ways to meet the gap.

6.2 Earmarked Reserves

The level of reserves should be regularly reviewed. The Corporate Management Team did a thorough review in 2020 and a result no changes are recommended at this stage. Appendix A shows these reserves.

7. Budget Process and Savings Strategy

7.1 The proposed strategy to meet the gap is -

1. Identify potential for permanent savings by the Corporate Management Team as part of the challenge of budgets process (£413,080 identified).
2. Identify additional income opportunities through the commercialisation agenda. Where possible ensure that discretionary service is self-financing.
3. Undertake several thematic and service reviews to improve services and drive future efficiencies, these reviews are in early stages and will be reported to future Overview and Scrutiny and/or Cabinet meetings.
4. Go to public consultation on proposed budget cuts to services to be implemented from April 2024 (last resort). A list of statutory and discretionary services is being compiled to see where savings would best be sought from.

7.2 Where budgetary proposals identify the need for the reduction of, or closure or discontinuance of a service, appropriate consultation will need to be carried out. The Council will also have to have due regard to the public sector equality duty under section 149 of the Equality Act 2010 in making their decisions. The equalities impact will be addressed on proposals as they are developed.

8. Crawley Homes revenue (HRA)

8.1 The All Member Seminar were presented with a bid for HRA revenue growth with the cleansing and cleaning team. New blocks of flats within Forge Wood will require cleaning of communal already along with 12 staircases. A resource is therefore required within the team to manage the additional workload. The cost of this would be £31,000 per annum.

Cabinet are requested to approve a budget of £31,000 within Crawley Homes for a cleansing and clearance operative.

9. Capital Programme

9.1 The [budget strategy](#) report reaffirmed that future bids for capital should be based on expenditure required to maintain the Council's assets, for environmental obligations such as flood prevention and for disabled facilities grants. In addition bids will be for spend to save projects or spend to earn investment income but that such prioritisation should not preclude the initial consideration of capital projects that could deliver social value.

9.2 The All-Member Seminar on 12th October 2022 identified that there was £2m available to spend on future capital schemes, that some would be presented to future Cabinet

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meetings, these would include potential expenditure on Climate Change initiatives such as the Heat Network extension. At that meeting there were two capital schemes presented to Members. These were K2 Crawley 3G Pitch Lighting and Lifeline Digital Switchover.

K2 Crawley 3G Pitch Lighting

The current lighting is nearly 20 years old, it is not energy efficient and requires annual repairs. By switching to energy efficient lighting the scheme will contribute towards the Council's decarbonisation programme. The scheme will cost £45,000 and will be funded from the renewals fund reserve for K2 Crawley and the Hawth.

Cabinet are therefore requested to approve the capital programme for K2 Crawley 3G Pitch Lighting of £45,000 to be funded from renewals fund.

Lifeline Digital Switchover

Analogue telephones lines are being switched off by December 2025. A two-year programme to procure and replace with digital equipment will cost £120,000 and will be funded from HRA capital reserves. This programme will future proof the Lifeline service and will continue to support people living independently in their own homes.

Cabinet are therefore requested to approve the capital programme for Lifeline Digital Switchover of £120,000 to be funded from HRA capital reserves.

Park Tennis

9.3 The majority of parks tennis courts across the town are in a poor state of repair, do not generate any significant use and given their poor quality, have been retained as free to users. As part of the 2022/23 capital programme, the Council included an allocation of £160,460 to make improvements to parks tennis courts in a broader programme which is linked to local coaching opportunities, online booking with a secure gated access system and the introduction of court fees to help generate a future maintenance fund and to provide an income to the Council. From the capital allocation of £160,460, £139,460 was allocated from the Council and £21,000 from a grant from the Lawn Tennis Association (LTA).

Specifically, the programme of works was to provide:

- Resurfacing of the courts at West Green Playing Field
- Replacement fencing at the courts at West Green and Maidenbower.
- The introduction of the online booking and secure gated access system.
- 2-tone court colouring and new nets and posts.
- Upgrading the existing floodlighting to LED at West Green.
- Accessibility improvements to access paths at West Green and Southgate

Of the above works, the grant from the LTA was to specifically fund the booking and gate access system.

Following further discussions and site visits from the LTA, they agreed that the poor quality of the courts in Crawley merited further grant aid support. Following a further funding application and provision of evidence by the Council, the LTA agreed to increase their grant from £21,000 to a maximum of £132,390, thereby making a total project budget of £271,850. The additional funding allocation was to fund the resurfacing of the courts at Southgate and West Green Playing Fields, and court colouring at all three sites so that all these courts are of a high quality.

Cabinet are therefore requested to recommend to Full Council an increase in the capital programme for Park tennis of £111,390 to be funded from LTA grant, this is subject to the sign off for the LTA grant award conditions by the Head of Governance, People and Performance and the Head of Major Projects and Commercial Services..

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Cabinet are requested to approve the inclusion for the new capital schemes outlines above with funding as outlined.

10. Housing Revenue Account – Capital

- 10.1 The HRA 30-year plan is constantly being updated and is reported to the affordable housing group. This takes both revenue and capital budget projections and shows resources available for future investment in housing. The impact of the rents error going back to 2014 was fed into this plan.
- 10.2 The debt cap has subsequently been removed. This would allow an increase in borrowing to build more housing. In addition the transfer of garages to the General fund resulted in more resources being available. However there are delays in building programmes due to the water neutrality issue and the need to provide offsets.
- 10.3 Attached at Appendix B is the capital investment plan for Crawley Homes for approval in future capital budgets, this is funded from the HRA, and this includes £13.8m in 2025/26. Garages were transferred to the General Fund as part of budget setting for the current financial year. Works are undertaken by Crawley Homes. Appendix A shows updated budgets for garages. Table 5 below shows changes between Appendix A and the Quarter 2 budget monitoring report elsewhere on this agenda.

Table 5 changes to Capital programme budget.

	2023/24	2024/25	2025/26
	£	£	£
HRA Improvements	3,600,000	3,550,000	13,800,000
Garages (General Fund)	50,000	0	300,000

HRA funded from Major repairs reserve and grant funding. Garages funded from garage income.

Cabinet are requested to approve the revised Housing Revenue Account and General Fund garages capital investment programme for inclusion in future Budgets.

11. Risk Management

- 11.1 The risks associated with the Council's [Budget Strategy](#) as previously set out. The Covid-19 Pandemic has had a significant impact on the Council's activities and continues to do so. This represents a further risk to the financial position of the Council. In addition the cost-of-living crisis is impacting significantly on costs and future income.
- 11.2 The key risks for the Council highlighted in this report is the future funding provided by the Government for both revenue and capital spending and the impact of the cost-of-living crisis, impacting especially on the homelessness budget. These matters taken together pose a significant business risk to the Council and requires effective action to be taken. As identified above there is rising costs of inflation, homelessness, costs of pay award, supply costs and issues and increasing costs of utilities.
- 11.3 There will also be costs associated with the Climate Emergency Action Plan that will have to be factored into future budgets. Therefore there may be a need, to put in place plans to make savings/increased income to achieve a balanced budget in the

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longer term and this will inevitably impact on the Council's ability to maintain existing service levels.

- 11.4 There remains a great deal of uncertainty regarding the timing and implications of reforms including the Fair Funding review and the outcome of the Spending Review.
- 11.5 A key component of the CIPFA Financial Management Model is assessing the financial resilience and sustainability of the Council. Appendix D of the [Budget Strategy report to Cabinet on 5 October](#) contained an assessment of this financial strategy against key financial indicators to verify the ongoing financial resilience of the Council.

12. Background Papers

Cabinet Reports 5 October 2022

[Budget Strategy 2023/24 – 2027/28 FIN/583](#)

Proposed increase in weekly rent to Council owned garages [CEX/59](#)

Cabinet Reports 25 November 2020

[Appropriation of Garages from the HRA to the General Fund - FIN/511](#)

Cabinet Reports 24 November 2021

[Crawley Homes Rent Overcharge DCE/11](#)

Cabinet Reports 2 February 2022

[2022/2023 Budget and Council Tax FIN/549](#)

[Treasury Management Strategy 2022/2023 FIN/557](#)

Cabinet Reports 6 July 2022

[Treasury Management Outturn 2021/2022 FIN/575](#)

Cabinet Reports 8 February 2012

[2012/2013 Budget and Council Tax FIN/257](#)

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Appendix A

Earmarked Reserves

	Balance at 31/03/2022	
To fund the Capital Programme		
Capital Programme reserve	2,293,120.22	Fully committed for our existing capital programme
Vehicles, Plant and equipment	1,631,638.54	Committed - will be used for vehicle replacements including refuse vehicles
ICT Replacement	260,035.32	Committed for future replacements including laptops
Specialist Equipment at K2 Crawley and the Hawth	266,157.38	Committed
Queens Square	380,628.80	For repairs and maintenance of the square (paving) / WSCC contribution
Housing -		
Homeless Grant	141,270.89	Committed to the cost of Homelessness/purchase of property - may have to use instead to fund temp accommodation overspends
Homeless Accommodation Acquisition	1,529,250.10	Will be used to purchase accommodation / temp accom overspend
Supported Accommodation	120,000.00	Will be used to purchase accommodation / temp accom overspend
Parks Investment reserve (previously Tilgate Park investment reserve)	268,660.78	For investment in the park capital programme including erosion works around the lake
Garage Maintenance	169,390.00	Repairs equalisation - programme changes over 5 years, general fund has a fixed amount in the budget for works
Total Capital reserves	2,228,571.77	
Insurance Reserves		
Insurance Fund	377,897.25	Reserve required - we are not allowed to not use these, however they could be reviewed
Risk Management	264,520.00	We use this for emergencies, also for works the shrub bed team are doing when finding damaged walls and bridges. Will be used for works at Kingsgate car park and some resource for water neutrality
Planning Reserves		
Local Development Framework	423,103.99	Fully committed, funds non staffing work for Local Plan. Need to look at the impact of water neutrality.
Heritage Strategy	16,108.14	Planning team use - move to LDF?
Economic Development Reserves		
Town Centre and Regeneration Reserve	253,034.77	Fully committed, funds some staff within the Economic Development Team and match funding projects
Town Funds	45,017.92	Committed for staff administering the funds
Environment / Climate Change Reserves		
Waste Collection	227,419.54	This is for any works to refuse vehicles as we have extended the contract any unused will be set aside to support re-procurement / Environment bill.
Business Rates Pool Cycling	102,248.00	Committed including the Town Hall sustainable transport plan
Climate Emergency	7,400.00	Carried forward underspend - to be used on Climate Change initiatives
Biodiversity net gain grant	10,047.00	Late grant at the end of the financial year - climate change

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Economy Reserves / Transformation		
		Need to keep £100k for benefit subsidy audit, £100k is being used for additional DHP's as Gvt reduced amount balance is being used to backfill within revs and bens due to the additional works as a result of the pandemic and IT solution for service.
Welfare Reform	396,866.00	
		Gvt funding for EU Exit implications - one year fixed term post within Env Health and a fuel tank - any underspend will be transferred to a cost of living reserves
EU Exit Funding	91,000.00	
		Any lost income will be offset from this reserve
Covid-19 Reserve	816,679.62	
		Will be used to partly offset the overspend in legal
Transparency	1,294.00	
Transformation and project delivery	500,000.00	Pump priming spend to earn projects.
Communities Reserves		
Prevent Operational (Pathfinder)	24,298.01	Ring-fenced
		Committed, however part (£63k) could be used to fund cost of living crisis
Health & Wellbeing Grant	223,269.46	
		Committed, has been reviewed by Community Services - £24k could be used towards the cost of living crisis.
Connecting Communities	47,319.28	
Worth Park HLF	33,038.52	Heritage Lottery Funding ring-fenced Underspend from last year into a reserve to enable additional payment this year with the new grants methodology impacting on organisations
Voluntary Sector transition funding	58,051.98	
New Museum	59,117.80	Committed
		s106 tree maintenance future year
Parks Improvement fund	87,000.00	maintenance of trees, use for planting?
DEFRA Environmental Health	17,193.45	Committed
Housing General Fund		
Shore Gap Fund	6,299.53	Earmarked for Homelessness Gets drawn down in future years to support the service - to fund the 5 yearly review
HMO licences (payment of licences in advance)	46,099.00	
Misc.		Committed Gvt funding to be split over 3 years and included within the budget projections, money received for shortfall in
Council Tax Income Guarantee reserve	81,410.00	Council Tax
Woodland Trust Forestry Work	27,000.00	Committed
Town Centre 75th Anniversary	5,000.00	Spent
Learning and Development	55,000.00	For staffing requirements
Town Hall equalisation	150,000.00	For times when letting is less than MTFS but could also be used for splitting floors For street trading - will be used in year for the contractor helping manage implementation of the new regulations
Licencing New burdens	13,891.00	This has been set aside for redundancy/compensation payments £400,000 is adequate.
Restructuring Impact Reserve	400,000.00	
Total CBC reserves	11,926,776.29	

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Appendix B

Crawley Homes capital investment plan.

Scheme Description	Latest Budget 2022/23	Proposed Budget 2023/24	Proposed Budget 2024/25	Proposed Budget 2025/26
Decent Homes	4,992,043	6,500,000	6,500,000	6,500,000
Renovations	732,929	700,000	650,000	650,000
Insulation	2,775,113	1,800,000	1,800,000	1,200,000
Renewable Technology/Carbon Efficiency	268,620	250,000	250,000	250,000
Compliance Works	1,671,791	1,450,000	1,450,000	1,450,000
Boilers & Heating	1,668,805	1,200,000	1,200,000	1,500,000
Electrical Test & Inspection	474,348	800,000	800,000	850,000
Adaptations For The Disabled	1,370,571	1,300,000	1,300,000	1,300,000
Hostels	187,992	100,000	100,000	100,000
TOTAL HRA IMPROVEMENTS	14,142,212	14,100,000	14,050,000	13,800,000
Shown in the Q2 budget elsewhere on the Agenda	14,142,212	10,500,000	10,500,000	
Total HRA Improvements Budget amendment/roll on*	0	3,600,000	3,550,000	13,800,000
*Funded from Major Repairs Reserve and grants				
General Fund				
Garages (funded from garage income)	510,571	250,000	338,897	300,000
Shown in the Q2 budget elsewhere on the Agenda	510,571	200,000	338,897	0
General Fund Budget amendment/roll on	0	50,000	0	300,000

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Crawley Borough Council

Report to Overview and Scrutiny Commission

21st November 2022

Report to Cabinet

23rd November 2022

2022/2023 Budget Monitoring - Quarter 2

Report of the Head of Corporate Finance FIN/594

1. Purpose

- 1.1 The report sets out a summary of the Council's actual revenue and capital spending for the second Quarter to September 2022. It identifies the main variations from the approved spending levels and any potential impact on future budgets.

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 agree to note the projected outturn for the year 2022/2023 as summarised in 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.

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 has the opportunity to scrutinise expenditure. Quarterly monitoring information is also included in the Councillors' Information Bulletin.

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- 4.3 This report outlines the projected outturn for 2022/2023 as at the end of September 2022.
- 4.4 As discussed in the budget report and Budget Strategy, due to the pandemic it is very difficult to accurately forecast our 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 2.

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

	Variance Projected at Quarter 2	Variance Projected at Quarter 1	
	£'000's	£'000's	
Cabinet	378	580	U
Public Protection & Community Engagement	(25)	(16)	F
Environmental Services & Sustainability	134	12	U
Housing	1,164	895	U
Wellbeing	(193)	(334)	F
Planning & Economic Development	(46)	(72)	F
Resources	58	(13)	U
TOTAL (SURPLUS)/DEFICIT	1,470	1,052	U
Investment Interest	(646)	(457)	F
Lower Tier Services Grant	76	76	U
ADJUSTED (SURPLUS)/DEFICIT	900	671	U
Budgeted transfer from reserves	452	452	
Total transfer from reserves	1,352	1,123	

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

Significant Quarter 1 variances over £20,000

5.1.1 Cabinet

Report [CEX/59](#) was approved by Full Council on 19 October 2022. This was to increase weekly rent to Council Owned garages to help meet the budget gap. The in-year impact is increased income of £197,000.

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Central government had initially announced an increase to Employer National Insurance rates of 1.25% for 2022/23. However, in the recent fiscal event this increase was reversed with effect from November. This is expected to result in an underspend of £58,000.

Insurance premiums have increased by £63,000, largely due to higher reinstatement valuations of our buildings due to increased cost of materials and labour.

5.1.2 Public Protection & Community Engagement

There are no significant variations to report this quarter.

5.1.3 Environmental Services & Sustainability Services

Additional work has been required at Kingsgate car park, ANPR and an upgrade to the systems will increase future income by offering greater ability to sell season tickets, as well as offering a more efficient parking service to customers. The projected overspend is currently £80,000.

5.1.4 Housing Services

The Homelessness Team continue to see sustained pressure with 358 households currently in all forms of temporary accommodation. Due to demand, placements by other local housing authorities, and commercial hotels being unable or unwilling to take local authority placements, there continues to be reducing supply alongside increasing demand which has driven up costs. 174 Households are in nightly paid placements and 64 households are currently being accommodated outside of the borough. These figures provide a snapshot at time and subject to change daily. The total forecast overspend is now £1.152m.

5.1.5 Wellbeing

Although strong membership sales continued in quarter 2 for K2 Crawley, the contractor has reported higher attrition rates (the proportion of existing members who surrender their membership) than pre pandemic. It is felt this is a combination of more members signing up on a monthly membership (rather than annual) and members being more conscious in surrendering their membership if they are not making use of the facilities. Although still in excess of the original budget projection, it is likely that income will be below the revised Q1 forecast.

5.1.6 Planning & Economic Development

There are no significant variations to report this quarter.

5.1.7 Resources

The variance of £60,000 in projected expenditure on external legal services has arisen due to a significant volume of high value, high risk, complex and / or urgent matters needing to be progressed. The Council has faced a number of unique challenges as a result of central government policy or local / national circumstances which could not have been foreseen. The Council has also embarked on a range of new projects and strategies which have created new areas of legal work beyond the traditional work-types. Both factors have meant an increase in the requirement for specialist external legal advice. In situations where a matter must be progressed

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immediately or within a very short timeframe (due to other financial, political or reputational factors), it is usually outsourced to external suppliers where it has been identified that there is insufficient capacity (at that time) within the in-house Legal Team. This is despite the successful recruitment of three new lawyers in the summer who are consistently at maximum capacity.

5.1.8 Investment Income

Interest rates have increased sharply due to the Bank of England reacting to inflationary pressures and they are expected to rise further. Current projections are for further investment income of £189,000 in addition to the £457,000 reported at Quarter 1.

6. Virements

- 6.1 Virements up to £50,000 can be approved by Heads of Service under delegated powers and reported to Cabinet for information.
- 6.2 The Head of Digital and Transformation has agreed a capital programme virement of £20,000 from the IT budget for Power and UPS to the New Town Hall – this was for the power and UPS requirements for the new town hall.

7. Council Housing (Crawley Homes) – Revenue

- 7.1 The table below provides details of the 2022/2023 HRA variances.

HOUSING REVENUE ACCOUNT QUARTER 2

	Q2 Variation £000's		Q1 Variation £000's
Income			
Rental Income	(320)	F	0
Other Income	(95)	F	(5)
Interest Received on balances	(231)	F	(170)
	(646)	F	(175)
Expenditure			
Employees	237	U	295
Repairs & Maintenance	460	U	1
Other running costs	167	U	53
Support services	0	F	0
	864	U	349
Net (Surplus) / Deficit	218	U	174
Available to fund future investment in housing	(218)		(174)

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

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7.2 Income

Additional income of £320,000 is forecast as a result of additional rents from Forge Wood properties that the service has taken ownership of this financial year. These were not included in the initial budget.

Interest rates have increased sharply due to the Bank of England reacting to inflationary pressures and they are expected to rise further. Current projections are for further investment income of £61,000 in addition to the £170,000 reported at Quarter 1.

The service has received an insurance reimbursement for the cost of repairing fire damage to the property 8 Fennel Crescent. The amount received was £84,000.

7.3 Employees

The Policy and Engagement Manager post will not be recruited in 2022/23. Instead, the service will look to employ a temporary resource to get started on some key work including the Policy and Engagement strategy. This is expected to produce an underspend of £27,000

Central government had initially announced an increase to Employer National Insurance rates of 1.25% for 2022/23. However, in the recent fiscal event this increase was reversed with effect from November. This is expected to result in an underspend of £11,000.

7.4 Repairs and Maintenance

There is a forecast overspend of £350,000 on the responsive repairs contract. This is a result of the cost per repair increasing for our contractors Mears and Wates, due to material costs increasing as a result of the current inflation rates. The cost per repair for Mears has increased by 11% compared to 2021/22 and the cost per repair for Wates has increased by 24% when compared to 2021/22. Work is being done with Wates on identifying why their operating costs are so much higher than Mears and on ways continuous improvements could lead to costs being reduced. The service does not currently plan on scaling back repairs to reduce costs.

A legislative change in The Housing White Paper has placed more responsibility on Housing providers to identify and where necessary take remedial action on asbestos issues in buildings. This is expected to result in an overspend of £95,000.

7.5 Other Running Costs

As a result of delays with the implementation of the service's new integrated IT system there is an overspend of £99,000 on licence fees, hosting costs and the continued use of the Redhill data centre.

Insurance premiums have increased by £37,000, largely due to higher reinstatement valuations of our buildings due to increased cost of materials and labour.

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8. Capital

7.1 The table below shows the 2022/23 projected capital outturn and proposed carry forward into 2023/24. Further details on the Capital Programme are provided in Appendix 2 to this report.

	Latest Budget 2022/23 £000's	Spend to Q2 2022/23 £000's	Estimated Outturn 2022/23 £000's	Re-profiled to/(from) future years £000's
Joint Responsibility	6,260	4,300	6,330	(70)
Cabinet	511	73	511	0
Environmental Services & Sustainability	543	135	574	(31)
Housing Services	2,896	923	2,896	0
Planning & Economic Development	2,549	236	1,906	643
Resources	459	69	459	0
Wellbeing	1,287	185	742	545
Total General Fund	14,505	5,921	13,418	1,087
Council Housing	23,850	11,717	23,850	0
Total Capital	38,355	17,638	37,268	1,087

8.2 The Western Boulevard town centre cycling scheme has now received planning permission, but this was delayed due to the highway authority requiring further clarification for some of the more innovative aspects of the design. The construction phase has been delayed and it is proposed to commence on site in the last quarter of 2022/23 giving a slippage into 2023/24 of £443,126.

8.3 The lead times for all new commercial vehicles have been extended due to problems within the supply chain, with several manufacturers not taking new orders for the next year so they can catch up on the orders already placed. As a result, £111,254 of the Vehicle Replacement budget is being slipped into 2023/24.

8.4 Adventure Play have slipped £186,426 into 2023/24 due to delays in the procurement stage and long supply lead times which is has pushed project completion into 2023/24

8.5 Three Play Areas: Perkstead Court, Curteys Walk and Brideake will go out to tender to be delivered under one contract potentially being grouped with mores sites in one procurement stage. Due to rising costs and market conditions this is the most

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advantageous way of delivering the three schemes within the current budget. The decision has held up the tender process causing slippage of £52,000 into 2023/24.

- 8.6 Wakehams Play Area will slip £55,000 into 2023/24 due to delays in the evaluation and award stages of the tender exercise. The tender will now be awarded but consideration will need to be taken regarding market conditions.
- 8.7 From the 1st April 2021 the reporting of the use of Right to Buy 1-4-1 receipts to the Ministry of Housing, Communities and Local Government (MHCLG) has moved to an annual return. Other changes are that these receipts now need to be used within 5 years of receipt instead of 3 years and can be used to fund up to 40% of new affordable homes including shared ownership dwellings. This was as a result to responses to [Government consultation](#) on Right to Buy receipts.
- 8.8 Within the second quarter of 2022/23 **Seventeen** Council Houses with a sale value of £3,402,200 compared to nine in the second 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 values of each will be calculated within the annual return. [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.]

9. Background Papers

[Budget Strategy 2023/24 – 2027/28 FIN/583](#)

[2022/2023 Budget Monitoring – Quarter 1 FIN/586](#)

[2022/2023 Budget and Council Tax FIN/549](#)

[Treasury Management Strategy 2022/23 FIN/557](#)

[Financial Outturn 2021/2022: Budget Monitoring – Quarter 4 FIN/572](#)

[Treasury Management Outturn for 2021/22 FIN/575](#)

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Appendix 1 (i)

REVENUE MONITORING SUMMARY 2022/23 GENERAL FUND

	Latest Budget £000's	Projected Outturn £000's	Variance £000's
Cabinet	(4,366)	(3,988)	378
Public Protection & Community Engagement	1,307	1,282	(25)
Environmental Services & Sustainability	4,822	4,956	134
Housing	2,745	3,909	1,164
Wellbeing	10,114	9,921	(193)
Planning & Economic Development	1,908	1,862	(46)
Resources	381	439	58
	16,911	18,381	1,470
Depreciation	(3,226)	(3,226)	0
Renewals Fund	750	750	0
NET COST OF SERVICES	14,435	15,905	1,470
Investment Interest	(606)	(1,252)	(646)
MRP	942	942	0
Council Tax	(7,891)	(7,891)	0
RSG	(63)	(63)	0
NNDR	(5,236)	(5,236)	0
New Homes Bonus	(606)	(606)	0
Service Grant	(251)	(251)	0
Lower Tier Services Grant	(272)	(196)	76
Net contribution from / (-to) Reserves	452	1,352	900

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Main Variations identified for 2022/23 - General Fund Appendix 1 (ii)

	Q2 Projected Variation £'000s	Q1 Projected Variation £'000s
<u>Cabinet</u>		
Pay Award (£1,925 per banding)	800	800
Additional Garage Income	(197)	0
National Insurance reversal	(58)	0
Additional Insurance costs	63	0
Investment & Operational Properties Agreed Back-Rent	(231)	(215)
Minor Variations	1	(5)
	378	580
<u>Public Protection & Community Engagement</u>		
Minor Variations	(25)	(16)
	(25)	(16)
<u>Environmental Services & Sustainability</u>		
Public Conveniences Business Rates	(20)	(20)
Port Health Income	49	39
Environmental Health Vacancy Provision	36	24
Kingsgate works	80	0
Minor Variations	(11)	(31)
	134	12
<u>Housing</u>		
Homelessness Pressures	1,152	872
Minor Variations	12	23
	1,164	895
<u>Wellbeing</u>		
Play Vacancies	(35)	(43)
Community Centres Reduction in Expected Shortfall	(47)	(30)
K2 Crawley Reduction in Expected Shortfall	(163)	(273)
Minor Variations	52	12
	(193)	(334)
<u>Planning & Economic Development</u>		
Property Built Environment Vacancies and Operational Savings	(76)	(80)
Minor Variations	30	8
	(46)	(72)
<u>Resources</u>		
Contact Centre Vacancy Provision	20	33
Elections Reduced Staffing Requirement	(22)	(36)

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Legal Sub-Contracted	60	0
Minor Variations	0	(10)
	58	(13)
TOTAL GENERAL FUND VARIANCES	1,470	1,052
Investment Interest	(646)	(457)
Lower Tier Services Grant	76	76
TOTAL VARIANCES	900	671

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Appendix 1 (iii)

QUARTER 2

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate £'000s	Projected Outturn £'000s	Variation £'000s
Income			
Rental Income	(48,002)	(48,322)	(320)
Other Income	(2,685)	(2,780)	(95)
Interest received on balances	(305)	(536)	(231)
Total income	(50,992)	(51,638)	(646)
Expenditure			
Employees	4,165	4,402	237
Repairs & Maintenance	13,467	13,927	460
Other running costs	2,111	2,278	167
Support services	3,096	3,096	0
	22,839	23,703	864
Net (Surplus) / Deficit	(28,153)	(27,935)	218
Use of Reserves:			
Debt Interest Payments	8,309	8,309	0
Depreciation, Revaluation & Impairment	7,195	7,195	0
Transfer to/(from) Housing Reserve	12,649	12,431	(218)
Total	28,153	27,935	(218)

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Appendix 1 (iv)

Main Variations Identified - Housing Revenue Account

	Q2 Variation £'000s	Q1 Variation £'000s
Income		
Forge Wood properties additional rents	(320)	0
Interest income	(231)	(170)
Insurance reimbursement for fire damage	(84)	0
Minor variations	(11)	(5)
	(646)	(175)
Employees		
Anticipated pay award	225	225
Unmet vacancy provision	62	77
Policy & Engagement Manager vacancy	(27)	0
National Insurance reversal	(11)	0
Minor variations	(12)	(7)
	237	295
Repairs & Premises Costs		
Repairs contract due to increased cost per repair (Wates 24%, Mears 11%)	350	0
Legislative change - Housing providers responsible for identifying asbestos issues	95	0
Minor variations	15	1
	460	1
Other Running Costs		
Licence costs as a result of the delay to new IT system	99	0
Insurance costs due to higher build value	37	0
Housing Ombudsman subscription	31	31
Minor variations	0	22
	167	53
TOTAL VARIANCES	218	174

2022/23 Qtr. 2 Capital

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 it forward from later years.

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
New Town Hall Redevelopment - Joint responsibility	6,160,470	4,154,539	6,160,470	0	0
Town Centre Fund					
Project Jupiter	100,000	145,233	170,000		(70,000)
Joint responsibility	6,260,470	4,299,772	6,330,470	0	(70,000)

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
0	0	0	0
410,000			
674,163			
1,084,163	0	0	0

Garages	510,571	72,636	510,571		
Cabinet	510,571	72,636	510,571	0	0

200,000	338,897		
200,000	338,897	0	0

Environmental Services and Sustainability					
New Cemetery	2,530		2,530		
Muslim Burial Ground Cemetery	289,309	46,303	319,850		(30,541)
Cycle Paths					
District Heat Network Phase 2 - Feasibility	94,950		94,950		
Flooding Emergency Works	37,962	28,796	37,962		
Leat Stream Ifield Flood Alleviation	7,289	7,215	7,289		
Tilgate Lake Bank Erosion	30,000		30,000		
Water Course Work	80,925	53,206	80,925		
Solar PV CBC Operational Buildings					
TOTAL ENVIRONMENTAL SERVICES & SUSTAINABILITY PORTFOLIO	542,965	135,520	573,506	0	(30,541)

	25,300		
96,804			
120,000			
60,000			
276,804	25,300	0	

Housing Enabling (General Fund)					
Temp Accommodation Acquisitions	1,809,600	611,050	1,809,600		

6,588,658			

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Affordable Housing Town Hall					
Longley House	70,000		70,000		
Disabled Facilities Grants	1,000,000	304,217	1,000,000		
Improvement/Repair Loans	16,704	7,530	16,704		
TOTAL HOUSING (GENERAL FUND) PORTFOLIO	2,896,304	922,797	2,896,304	0	0

	3,238,250		
345,000	1,200,000		1,700,000
909,537			
15,000			
7,858,195	4,438,250	0	1,700,000

Planning and Economic Development					
Manor Royal Business Group					
Crawley Fusion Innovation Centre	629,114	97,562	429,114		200,000
<u>Crawley Growth Programme</u>					
Queensway	7,590	1,954	7,590		
Town Centre Signage and Wayfinding	11,487	1,955	11,487		
Town Centre General					
Manor Royal Cycle Improvements					
Town Centre Western Boulevard (cycle improvements)	692,898	33,077	249,772		443,126
Manor Royal Super Hub					
Station Gateway	104,381	84,673	104,381		
Town Centre Super Hub					
Town Centre Commercial Space	57,000	2,253	57,000		
Three Bridges Station	43,000	13,085	43,000		
Total Crawley Growth Programme	916,356	136,997	473,230	0	443,126
<u>Towns Fund</u>					
Manor Royal Business Environment Improvement Programme	350,000	901	350,000		
Green Business Infrastructure Grants Pillar 1	150,000		150,000		
Green Business Infrastructure Grants Pillar 2	200,000	867	200,000		
Crawley Home Green Retrofitting	303,700		303,700		
Total Towns Fund	1,003,700	1,768	1,003,700		
TOTAL PLANNING & ECONOMIC DEVELOPMENT PORTFOLIO	2,549,170	236,327	1,906,044	0	643,126

200,000			
3,850,000	250,000		
108,493			
71,100			
1,775,935			
710,534			
263,028			
1,971,623	2,880,000	1,990,000	50,004
			74,235
1,000,000	4,943,000		
450,000	650,000	308,844	
6,350,713	8,473,000	2,298,844	124,235
500,000	500,000	150,000	
360,000	320,000	170,000	
500,000	300,000		
1,232,100	1,232,100	1,232,100	
2,592,100	2,352,100	1,552,100	
12,992,813	11,075,100	3,850,944	124,235

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Resources					
Gigabit					
ICT Capital - Future Projects	40,400		40,400		
New Website And Intranet	52,406		52,406		
ICT Transformation Future					
ICT Cloud	82,000	3,650	82,000		
Income Management System	60,000		60,000		
Commercial Property System	4,086	13,914	4,086		
Sharepoint	50,000		50,000		
Agile Working	70,000	51,170	70,000		
Channel Shift					
Hardware Renewals	100,000		100,000		
TOTAL RESOURCES PORTFOLIO	458,892	68,734	458,892	0	0

	1,350,000				
	65,000				
	25,000				
	218,024				
	102,679				
	61,000				
	1,821,703	0	0	0	0

Wellbeing					
Vehicle Replacement Programme	206,500	95,246	95,246		111,254
Refurb Playgrounds Future Schemes					
Skate Park Equipment					
Memorial Gardens Improvements					
Tilgate Park	4,769		4,769		
Nature & Wildlife Centre	45,905	35,340	45,905		
Allotments	58,000	11,500	58,000		
Adventure Playgrounds	339,330	22,904	152,904		186,427
Memorial Gardens Play Improvements - Drinking Fountain	16,933	72	16,933		
Meadowlands					
Southgate Playing Fields	50,851	2,700	50,851		
Perkstead Court Play Area Bewbush	20,000				20,000
Park Tennis	160,460	17,570	20,000		140,460
Halley Close Play					15,000
Curteys Walk Play	15,000				15,000

	247,254				
	39,360				
	46,000				
	33,400				
	27,000				
	186,427				
	65,000				
	20,000				
	140,460				
	15,000				
	15,000				

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Brideake Play	17,000				17,000
Wakehams Play	55,000				55,000
Puffin Road Play					
Browness Close Play					
Plantain Crescent Play					
K2 Crawley Replacement Chiller	155,000		155,000		
Broadfield 3G Lighting	45,000		45,000		
Changing Places	97,000		97,000		
TOTAL WELLBEING PORTFOLIO	1,286,748	185,332	741,608	0	545,141

17,000			
55,000			
18,000			
18,000			
15,000			
957,901	0	0	0

TOTAL GENERAL FUND	14,505,120	5,921,118	13,417,395	0	1,087,726
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25,191,579	15,877,547	3,850,944	1,824,235
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Housing - HRA (Crawley Homes)					
Improvements -					
Decent Homes	4,992,043	2,512,776	4,992,043		
Renovations	732,929	402,839	732,929		
Insulation	2,775,113	406,567	2,775,113		
Renewable Technology/Carbon Efficiency	268,620	192,343	268,620		
Compliance Works	1,671,791	251,209	1,671,791		
Boilers & Heating	1,668,805	299,250	1,668,805		
Electrical Test & Inspection	474,348	188,969	474,348		
Adaptations For The Disabled	1,370,571	359,901	1,370,571		
Hostels	187,992	7,968	187,992		
TOTAL HRA IMPROVEMENTS	14,142,212	4,621,822	14,142,212	0	0

2,300,000	2,300,000		
650,000	650,000		
2,200,000	2,200,000		
250,000	250,000		
1,450,000	1,450,000		
1,800,000	1,800,000		
350,000	350,000		
1,300,000	1,300,000		
200,000	200,000		
10,500,000	10,500,000	0	

Other HRA (Crawley Homes)					
HRA Database	293,273	76,063	293,273		
Acquisition Of Land Or Dwellings	2,000,000	1,260,752	2,000,000		
Forge Wood					
Telford Place Development	18,500	7,963	18,500		
Forge Wood Phase 2	2,550,414	2,031,066	2,550,414		

298,250			
	1,235,389	1,128,115	776,517
3,902,500	7,730,000	7,986,256	1,010,000

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Forge Wood Phase 4					
Purchase Of Properties	2,680,165	2,680,171	2,680,165		
5 Perryfields	10,500		10,500		
Carey House	69,821	8,943	69,821		
Fairlawn House					
Milton Mount Major Works	1,606,870	934,855	1,606,870		
Breezehurst Phase 2	171,505	3,505	171,505		
Orchards Hostel					
Water Neutrality	170,000		170,000		
Contingencies					
Prelims	136,924	91,429	136,924		
TOTAL OTHER HRA	9,707,972	7,094,747	9,707,972	0	0

	4,034,751	4,121,344	4,277,787	
	819,835			
	191,000	372,076	33,042	
	207,134			
	9,380,577	4,973,932		210,000
	126,000	196,000	16,485	
	1,137,311	222,191		
	287,700			
	20,385,058	18,850,932	13,441,685	1,996,517

TOTAL HRA	23,850,184	11,716,569	23,850,184	0	0
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30,885,058	29,350,932	13,441,685	1,996,517
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TOTAL CAPITAL PROGRAMME	38,355,304	17,637,687	37,267,579	0	1,087,726
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56,076,637	45,228,479	17,292,629	3,820,752
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FUNDED BY

Capital Receipts	(8,144,364)	(4,402,681)	(7,683,913)		(275,346)
Capital Reserve	(52,406)	(45,233)	(122,406)		70,000
Better Care Fund (formally DFGs)	(1,000,000)	(304,217)	(1,000,000)		
External Funding	(3,720,884)	(727,672)	(3,114,494)		(664,126)
HRA Revenue Contribution	(11,507,348)	(4,697,786)	(11,339,072)		
Replacement Fund/Revenue Financing	(1,451,733)	(320,792)	(1,869,890)		(111,254)
Section 106	(410,734)	(120,522)	(456,692)		(52,000)
1-4-1	(3,369,818)	(2,396,963)	(2,983,095)		(55,000)
Borrowing	(8,698,017)	(4,621,821)	(8,698,017)		
TOTAL FUNDING	(38,355,304)	(17,637,687)	(37,267,579)	0	(1,087,726)

(6,333,248)	(5,465,384)	(481,453)	(1,173,469)
(674,163)	(314,000)		(586,000)
(909,537)			
(9,328,904)	(6,990,995)	(3,369,491)	
(23,875,073)	(22,229,777)	(8,084,821)	(1,197,911)
(1,933,154)	(483,508)		
(957,575)	(897,347)		(64,766)
(7,064,983)	(8,847,468)	(5,356,864)	(798,600)
(5,000,000)			
(56,076,637)	(45,228,479)	(17,292,629)	(3,820,752)

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Crawley Borough Council

**Report to Overview and Scrutiny Commission
21 November 2022**

**Report to Cabinet
23 November 2022**

Treasury Management Mid-Year Review 2022/2023

Report of the Head of Corporate Finance **FIN/593**

1. Purpose

- 1.1 This report provides an update on the Council's Treasury Management Strategy for the two first quarters of 2022/2023.

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

That the Cabinet is recommended to note the report and the treasury activity for the first two quarters of 2022/2023

3. Reasons for the Recommendations

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

4. Interest rate forecasts

- 4.1 The Council's treasury advisor, Arlingclose Limited, has provided the following forecast:

	Current	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
Official Bank Rate													
Upside risk	0.00	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	2.25	4.25	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.75	4.25	3.75	3.25
Downside risk	0.00	-1.00	-1.00	-0.75	-0.50	-0.50	-0.50	-0.75	-1.25	-1.50	-1.75	-1.75	-1.75

5. Annual Investment Strategy

- 5.1 The Treasury Management Strategy for 2022/23, which includes the Annual Investment Strategy, was approved by this Council on 23 February 2022. It sets out the Council's investment priorities as being:

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- Security of capital;
- Liquidity;
- Yield; and
- Ethical investment policy

6. Compliance with Treasury and Prudential Limits

- 6.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy.
- 6.2 During the financial year to date the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy and in compliance with the Council's Treasury Management Practices. The prudential and treasury Indicators are shown in Appendix 3.

7. Investment Portfolio 2022/23

- 7.1 CIPFA revised TM Code defines treasury management investments as those which arise from the Authority's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business.
- 7.2 The Council held £138.898m of investments as at 30 September 2022 (£128.945m at 31 March 2022). Summary table below:

INVESTMENT PORTFOLIO	Actual 31 March 2022 £000	Net Movement £000	Actual 30 September 2022 £000	30 September 2022 Income Return %	30 September 2022 Weighted Average Maturity Days
Treasury investments					
Banks & building societies (unsecured)	556	9,593	10,149	1.99	38
Government	17,189	190	17,379	0.92	199
Local authorities	92,000	(300)	91,700	0.56	157
Money Market Funds	9,500	170	9,670	2.10	1
Cash plus funds	10,000	0	10,000	0.84	5
TOTAL TREASURY INVESTMENTS *	128,945	9,953	138,898	0.84	132

* Capital expenditure was budgeted at £49.1m for 2022/23. £14.6m has been spent to 30 September. The revised estimate is £37.6m. See Quarter 2 Budget Monitoring for further details.

A full list of investments held on 30th September 2022 is in appendix 2.

- 7.3 The Head of Corporate Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2022/23.
- 7.4 Investment performance for the financial year to date as at 30 September 2022:

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Investments managed in-house	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2022	4.39	AA-	8%	192	0.27
30.09.2022	4.54	A+	8%	132	0.84
Similar Las	4.34	AA-	57%	42	1.70
All LAs	4.29	AA-	55%	18	1.72

The rate of return above is lower than the average shown as the Council has invested for longer periods, as shown in the weighted average maturity column. This has allowed the Council to achieve higher than average returns in the past, but means that it is slower to pick up additional yield when rates increase.

In the strategy set at the start of the year, the Council projected that there would not be a rise in interest rates. At the time, base rate was 0.5%, it is currently 2.25% and the expectation is that it rise sharply to 5.0% by year-end.

The increases in Bank Rate over the period under review, and with the prospect of more increases to come, short-dated cash rates, which had ranged between 0.7% - 1.5% at the end of March, rose by around 1.5% for overnight/7-day maturities and by nearly 3.5% for 9-12 month maturities.

By end September, the rates on DMADF deposits ranged between 1.85% and 3.5%. The return on the Council's sterling low volatility net asset value (LVNAV) Money Market Funds ranged between 0.4% - 0.7% p.a. in early April and between 1.6% and 2.1% at the end of September

The average rate on the Council's investments is 0.48% for the first half of the year - mostly down to investments that were taken out before the rate increases. As these mature, the average rate will increase.

8. Non-Treasury Investments

- 8.1 The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
- 8.2 Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) also includes within the definition of investments all such assets held partially or wholly for financial return.
- 8.3 The Council held £17.888m (see Appendix 2) of commercial investments in directly owned properties.
- 8.4 The Council also held £53.352m of service investments in

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- Directly owned property £52.952m
- Loan to The Hawth £0.4m

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

8.6 These investments generated £0.5m of investment income for the Authority after taking account of direct costs, representing a rate of return of 3.78%.

9. Borrowing

9.1 The Council borrowed £260.325m in March 2012 for HRA self-financing. The average borrowing rate is 3.19%. There has been no requirement for further borrowing in 2022/2023.

10. Implications

10.1 The Council is under a duty to manage its resources prudently and therefore due consideration must always be given to its borrowing and lending strategy. A wide range of local authority financial activities, including borrowing, lending, financial management, and the approval of types of investment vehicle are governed by legislation and various regulations. The Council is obliged to comply with these. There are no other legal implications arising in this report.

10.2 The financial implications are addressed throughout this report.

10.3 Risks are highlighted throughout this report, but Appendix 3 addresses the risk to security, liquidity and yield of the Council's investment strategy.

11. Background Papers

[Treasury Management Strategy for 2022/2023 – Cabinet, 2 February 2022 \[report FIN/557 refers\]](#)

Quarterly Budget Monitoring 2022/2023 Quarter 2 – Cabinet, 23 November 2022 [report FIN/586 refers]

[2022/2023 Budget and Council Tax – Cabinet, 2 February 2022 \[FIN/549 refers\]](#)

“Treasury Management in the Public Services - Code of Practice and Cross-Sectoral Guidance Notes”, 2021 Edition - Chartered Institute of Public Finance and Accountancy

“The Prudential Code for Capital Finance in Local Authorities”, 2021 Edition - Chartered Institute of Public Finance and Accountancy

[DCLG Guidance on Local Government Investments \(Third Edition\)](#)

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Economic background: The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The 'fiscal event' increased volatility in the UK economy.

The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and China's zero-Covid policy.

Central Bank rhetoric and action remained robust. The Bank of England, Federal Reserve and the European Central Bank all pushed up interest rates over the period and committed to fighting inflation, even when the consequences were in all likelihood recessions in those regions.

UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August. The energy regulator, Ofgem, increased the energy price cap by 54% in April, while a further increase in the cap from October, which would have seen households with average energy consumption pay over £3,500 per annum, was dampened by the UK government stepping in to provide around £150 billion of support to limit bills to £2,500 annually until 2024.

The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate 3m/year for April fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.

With disposable income squeezed and higher energy bills still to come, consumer confidence fell to a record low of -44 in August, down -41 in the previous month. Quarterly GDP fell -0.1% in the April-June quarter driven by a decline in services output, but slightly better than the 0.3% fall expected by the Bank of England.

The Bank of England increased the official Bank Rate to 2.25% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. August's rise was voted by a majority of 8-1, with one MPC member preferring a more modest rise of 0.25%. The September vote was 5-4, with five votes for an 0.5% increase, three for an 0.75% increase and one for an 0.25% increase. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.

Gilt yields rose by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. This left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day.

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Bank of England policymakers noted that any resulting inflationary impact of increased demand would be met with monetary tightening, raising the prospect of much higher Bank Rate and consequential negative impacts on the housing market.

After hitting 9.1% in June, annual US inflation eased in July and August to 8.5% and 8.3% respectively. The Federal Reserve continued its fight against inflation over the period with a 0.5% hike in May followed by three increases of 0.75% in June, July and September, taking policy rates to a range of 3% - 3.25%.

Eurozone CPI inflation reached 9.1% y/y in August, with energy prices the main contributor but also strong upward pressure from food prices. Inflation has increased steadily since April from 7.4%. In July the European Central Bank increased interest rates for the first time since 2011, pushing its deposit rate from -0.5% to 0% and its main refinancing rate from 0.0% to 0.5%. This was followed in September by further hikes of 0.75% to both policy rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%.

Financial markets: Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets led to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.

Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.

Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.

Credit review: In July Fitch revised the outlook on Standard Chartered from negative to stable as it expected profitability to improve thanks to the higher interest rate environment. Fitch also revised the outlook for Bank of Nova Scotia from negative to stable due to its robust business profile.

Also in July, Moody's revised the outlook on Bayerische Landesbank to positive and then in September S&P revised the GLA outlook to stable from negative as it expects the authority to remain resilient despite pressures from a weaker macroeconomic outlook coupled with higher inflation and interest rates.

Having completed its full review of its credit advice on unsecured deposits at UK and non-UK banks, in May Arlingclose extended the maximum duration limit for five UK banks, four Canadian banks and four German banks to six months. The maximum duration for unsecured deposits with other UK and non-UK banks on Arlingclose's recommended list is 100 days. These recommendations were unchanged at the end of the period.

Arlingclose continued to monitor and assess credit default swap levels for signs of credit stress but made no changes to the counterparty list or recommended durations. Nevertheless, increased market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Detailed holdings at 30 September 2022

Counter Party	Deal Ref	Issue	Maturity	Days to Mature	Interest Rate	Nominal (£m)	Total (£m)	Limit (£m)	Rating
UK BANKS									
Lloyds Bank plc	20		01/10/2022	1	0.010%	0.149	0.149	10	A-
CENTRAL GOVERNMENT									
DMADF Cash Account	2744	01/07/2022	21/11/2022	52	1.540%	2.5			
	2755	02/09/2022	05/12/2022	66	2.165%	5	7.5	Unlimited	AA-
United Kingdom Gilts	2672	18/06/2021	31/01/2024	488	0.125%	4.886			
	2684	01/10/2021	31/01/2023	123	0.125%	4.993	9.879	15	AA-
LOCAL AUTHORITIES									
Birmingham City Council	2667	30/11/2021	29/11/2022	60	0.100%	5	5	15	AA-
Blaenau Gwent County Borough Council	2702	08/04/2022	06/04/2023	188	0.280%	2			
	2703	27/05/2022	26/05/2023	238	0.280%	3	5	15	AA-
Cambridgeshire CC	64	22/07/2022	22/01/2024	479	1.000%	5	5	15	AA-
Cheshire West and Chester Council	2671	04/01/2022	03/01/2023	95	0.100%	5	5	15	AA-
Cornwall Council	2731	01/08/2022	01/11/2022	32	0.930%	5	5	15	AA-
Derbyshire County Council	2653	28/10/2021	28/10/2022	28	0.100%	5	5	15	AA-
Gloucester City Council	2655	25/10/2021	24/10/2022	24	0.100%	3.7	3.7	15	AA-
Guildford Borough Council	2695	01/11/2021	01/11/2022	32	0.100%	5	5	15	AA-
London Borough Of Hillingdon	2661	20/12/2021	19/12/2022	80	0.100%	5	5	15	AA-
Kirklees Metropolitan Council	2698	01/04/2022	02/04/2024	550	0.500%	5	5	15	AA-
Lancashire CC	2690	01/11/2021	01/11/2022	32	0.200%	2	2	15	AA-
Monmouthshire County Council	2697	27/01/2022	26/01/2023	118	0.180%	3	3	15	AA-
North Lanarkshire Council	2752	15/09/2022	19/07/2023	292	2.250%	5	5	15	AA-
Royal Borough of Windsor & Maidenhe	2717	30/09/2022	29/09/2023	364	1.200%	5	5	15	AA-
Rotherham Metropolitan Borough Coun	2645	18/06/2021	16/06/2023	259	0.450%	5	5	15	AA-
Slough Borough Council	2657	29/10/2021	28/10/2022	28	0.100%	2			
	2659	19/11/2021	21/11/2022	52	0.100%	3	5	15	AA-
South Cambridgeshire District Council	2658	15/12/2021	14/12/2022	75	0.100%	5	5	15	AA-
Surrey Heath Borough Council	2718	16/06/2022	16/12/2022	77	0.750%	3	3	15	AA-
Utlesford District Council	2757	13/09/2022	13/12/2022	74	2.200%	5	5	15	AA-

Warrington Borough Council	2668	30/11/2021	29/11/2022	60	0.110%	5	5	15	AA-
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MONEY MARKET FUNDS

Aberdeen Liquidity Fund	5		01/10/2022	1	2.135%	2.9	2.9	6	AAA
Federated Prime Rate Cash Man	1		01/10/2022	1	2.081%	6.77	6.77	6	AAA

Strategic Funds

Royal London	2714		01/10/2022	5	0.85%	10	10	10	A+
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SINGAPORE BANKS

DBS Bank Ltd	2751	11/08/2022	11/11/2022	42	2.070%	4			
	2753	15/08/2022	23/11/2022	54	2.080%	3			
	2754	15/08/2022	17/10/2022	17	1.820%	3	10	10	AA-

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132	138.898
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INVESTMENT PROPERTIES

Ashdown House	8.338
Ask High Street	1.183
Atlantic House	4.021
Voluntary Organisations	1.319
Telford Place Car Park	1.636
Other	1.391

17.888

156.786

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Prudential and Treasury Indicators as at 30th September 2022

APPENDIX 3

Compliance with the authorised limit and operational boundary for external debt is demonstrated in the table below.

Debt Limits

£000	2022/23 Maximum	30.9.22 Actual	2022/23 Operational Boundary	2022/23 Authorised Limit	Complied?
Borrowing	261,095	260,325	261,325	271,325	Yes
Finance Leases	44	44	44	44	Yes
Total debt	261,139	260,469	261,369	271,369	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Investment Limits

	2022/23 Maximum	30.9.22 Actual	2022/23 Limit	Complied?
Any single organisation, except the UK Government	£10m	£10m	£10m	Yes
Any group of organisations under the same ownership	£10m	£10m	£10m	Yes
Any group of pooled funds under the same management	£10m	£10m	£25m	Yes
Negotiable instruments held in a broker's nominee account	£10m	£10m	£25m	Yes
Limit per non-UK country	£10m	£10m	£10m	Yes
Registered providers and registered social landlords	-	-	£10m	Yes
Unsecured investments with building societies	-	-	£10m	Yes
Loans to unrated corporates	-	-	£5m	Yes
Money Market Funds	£32.26m	£9.67m	Unlimited	Yes
Strategic pooled funds	£10m	£10m	£20m	Yes
Real Estate Investment Trusts	-	-	£20m	Yes

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority 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.

	30.9.22 Actual	2022/23 Target	Complied?
Portfolio average credit rating	A+	A	Yes

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Liquidity: The Authority 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 one-week period, without additional borrowing.

	30.9.22 Actual	2022/23 Target	Complied?
Total cash available within 1 week	£19.8m	£3m	Yes

Interest Rate Exposures: This indicator is set to control the Authority'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	30.9.22 Actual	2022/23 Target	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.164m	£1m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£0.164m	£1m	Yes

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

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:

Refinancing rate risk indicator	30.9.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	4%	20%	0%	Yes
12 months and within 24 months	5%	20%	0%	Yes
24 months and within 5 years	16%	30%	0%	Yes
5 years and within 10 years	35%	40%	0%	Yes
10 years and within 20 years	40%	50%	0%	Yes
20 years and within 30 years	0%	10%	0%	Yes
30 years and within 40 years	0%	10%	0%	Yes
40 years and within 50 years	0%	10%	0%	Yes

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.

Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Authority'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 beyond the period end were:

	2022/23	2023/24	2024/25
Actual principal invested beyond year end	£5m	£20m	-
Limit on principal invested beyond year end	£20m	£20m	£20m
Complied?	Yes	Yes	Yes

Agenda Item 9

Crawley Borough Council

Report to Overview and Scrutiny Commission 21 November 2022

Report to Cabinet 23 November 2022

UK Shared Prosperity Fund

Report of the Deputy Chief Executive DCE/14

1. Purpose

- 1.1 Crawley has been allocated £1m over three years under the UK Shared Prosperity Fund (UKSPF), part of the Government's Levelling-Up agenda. The purpose of this report is to make provision for the funding and the delivery of the programme.

2. Recommendations

- 2.1 To the Overview & 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) Approve the Council's intention to secure the funding based on the approach agreed at the Town's Fund Board as set out within the submission (Appendix A)
- b) Delegate authority to the Deputy Chief Executive in consultation with the Leader of the Council to approve the governance arrangements for the programme.
- c) Delegate authority to the Deputy Chief Executive, in consultation with the Head of Governance People and Performance, to negotiate, approve and complete all relevant documentation including legal requirements. (Generic Delegations 2 & 3 will be used to enact this recommendation)
- d) Request Full Council to approve the financial provision for the receipt and allocation of the UK Shared Prosperity Fund funding.

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3. Reasons for the Recommendations

- 3.1 Crawley has been allocated £1m over three years under the UK Shared Prosperity Fund (UKSPF), part of the Government's Levelling-Up agenda. To obtain that funding a submission has been submitted by the Council following an approach agreed at the Towns' Fund Board. As the accountable body, the Council must put in place suitable arrangements to receive, manage and distribute the funding in such a way as to ensure delivery.

4. Background

UK Shared Prosperity Fund

- 4.1 The UK Shared Prosperity Fund (UKSPF) is a part of the UK Government's Levelling Up agenda. It provides £2.6 billion of funding for local investment by March 2025. All areas of the UK are receiving an allocation from the Fund via a funding formula rather than a competition. Crawley has been allocated £1m over three years (year 1 being the current 2022/23 year), which is the lowest level of allocation.
- 4.2 The primary goal of the UK Shared Prosperity Fund is to build pride in place and increase life chances across the UK. Beneath this are the following investment priorities and related missions (some which cut across investment priorities) to improve and close the gaps across the UK. These are also set out in Appendix B:
- Community & Place
 - Satisfaction with town centre and engagement in local culture and community
 - Healthy life expectancy
 - Wellbeing
 - Homicide, serious violence and neighbourhood crime
 - Supporting Local Business
 - Satisfaction with town centre and engagement in local culture and community
 - Pay, employment and productivity
 - Public investment in research and development
 - People and Skills
 - Satisfaction with town centre and engagement in local culture and community
 - Pay, employment and productivity
 - Completion of high-quality skills training
 - Healthy life expectancy
 - Wellbeing
- 4.3 Included within the Government guidance is a set of intervention types linked to the priorities and missions and attached to these interventions are a specific outcomes and outputs to be achieved. Consequently, the UKSPF is both very broad in scope yet also very prescriptive to ensure alignment with national goals. There are also in-built restrictions in some areas and these are described further in Section 5.

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Accessing the funding

- 4.4 Each local authority area was required to submit an investment plan to Government to secure the funding. The UKSPF guidance states that the investment plan should contain:
1. Local context / performance against the investment priorities and related missions
 2. The selection of outcomes and interventions based upon the local context
 3. How this will be delivered including governance, expenditure, and deliverables
- 4.5 Crawley's deadline for submission was the end of September. This was an agreed extension (from the original deadline of end of August) recognising the impact of local elections in May, workload in submitting investment plans also for the Town's Fund, and the challenges of convening partners over the summer to meet the requirements of the guidance. It is important to note that the submission is not considered to be final and there remains scope for development over time.
- 4.6 The guidance also states that the investment plan should be agreed by a local partnership containing the full range of local partners as set out in the guidance and convened by the council. This included involvement of the Member of Parliament. Given the required timeframe, this needed to be an existing partnership, and given the list of stakeholders set out in the guidance, the Towns' Fund Board was identified as the best fit and agreed to act in this capacity for the purposes of the submission. Where stakeholders identified as required by the guidance were not currently represented on the Towns' Fund Board, an invitation to relevant meetings was and will continue to be provided.

Developing the Investment Plan

- 4.7 Following the Government's guidance, the Council undertook an analysis of town's performance against the UKSPF investment priorities and their related missions. The evidence collated was circulated to the Towns' Fund alongside a briefing note providing background to the fund and suggested process ahead of submission. That briefing note also asked partners to contribute both in terms of data and suggestions for meeting emerging needs.
- 4.8 A further paper was taken to the Towns' Fund Board meeting on 21 September. This captured input from partners and developed the evidence base and the constraints of the programme into a suggested approach to the submission. That approach was based on translating broad principles into the investment plan templates that will later be developed into more concrete proposals over time. This was agreed by the Town's Fund Board, who also agreed in principle to create a sub-group to oversee the programme.

5. Investment Plan Submission

- 5.1 The Investment Plan was submitted on 30 September 2022. The submission was via an online portal, but a document containing the information submitted is attached as Appendix B. The submission was consistent with the approach agreed by the Towns' Fund Board, and the key points are summarised here.

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Target Areas

5.2 The evidence base setting out performance against the UKSPF investment priorities and missions highlights the disparities and inequalities within the borough. Local Super Output Areas were used to map these. Analysis of the evidence base shows three areas within Crawley that stand out both for how often they are flagged and for their ranking:

- **Broadfield**

The standout geography, with 5 LSOAs within the 13 LSOAs in Crawley that fall within the 20% most deprived locally with 2 also being in the 20% most deprived nationally. When looking at thematic areas, Broadfield is represented throughout, but particularly in terms of Income, Employment, Education & Skills, and Housing.

- **Bewbush**

3 LSOAs within the 20% most deprived locally, with a particular focus around education and skills.

- **West Green**

2 LSOAs within the 20% most deprived locally with a particular focus around Health, Employment and Crime.

5.3 Whilst other areas are also identified, they do not appear as regularly or at the same depth. The proposal is therefore to focus upon the above areas so as not to dilute focus too far given the limited resources available. The Towns' Fund Board supported this approach.

Proposed Intervention Types

5.4 As described in 4.3, the UKSPF guidance contains a set menu of intervention types linked to each of the investment priorities. Having considered these against the evidence base and the target areas chosen, the submission (as agreed by the Towns' Fund Board) includes the following intervention-types:

- E6: Support for local arts, cultural, heritage and creative activities.
- E9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places
- E11 Investment in capacity building and infrastructure support for local civil society and community groups
- E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.
- E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.
- E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises
- E33: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic

Agenda Item 9

skills (Digital, English, Maths* and ESOL) support where there are local provision gaps

- E36: Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online
- E37: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses. This includes supporting the retention of groups who are likely to leave the labour market early.

5.5 Linked to each intervention is a menu of outcomes and outputs against which target deliverables must be set. This was obligatory for the submission, although it is acknowledged that these may change over the course of the programme. These may also be challenged by the UKSPF team.

Programme

5.6 The approach taken to delivery has been influenced by the structure of the UKSPF allocations. The key points are:

- Crawley's initial allocation over the three-year period was £150k in the first year, £270k in the second, and the remaining £580k in the third. The Government then altered allocation to £79k in the first year; £159k in the second; and £762k in the third. Such heavy weighting in the third year creates real challenges and risks and the Council is challenging this.
- There are restrictions on undertaking employment and skills related activity that would prevent Crawley delivering in years 1 and 2. This restriction was not immediate apparent in the guidance and would seem to limit what can be achieved to address the investment priorities. Again, the Council is seeking to challenge this.
- The timeframes for the submission have not allowed sufficient time to work with the target communities to shape delivery and so engagement in the early part of the programme will be crucial.
- The economic context means that discussions with the target areas will inevitably touch upon the cost of living, especially given the high levels of income deprivation that already exist.

5.7 Consequently, the approach is to use Year 1 funding to undertake engagement sessions with key stakeholders from the statutory, voluntary, community and business sectors within the three areas to:

- Map services and existing networks,
- Identify key needs, issues and barriers to accessing services
- Inform initiatives and areas of focus to be delivered in Years 2 & 3

In this way Year 2 & 3 interventions will be designed in a way to maximise take up and reduce barriers to access.

5.8 Recognising that a significant barrier over the period of this programme is likely to be the impact of the cost-of-living crisis, the submission proposes that Year 1 is used to increase the capacity of the community and voluntary sector to support residents in the following areas:

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- Fuel poverty
- Debt and financial management advice
- Access to Food – supporting local food banks

5.9 In terms of the Interventions, these Year 1 activities will be captured by:

- E9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places
- E11 Investment in capacity building and infrastructure support for local civil society and community groups
- E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.
- E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

Next Steps

- 5.10 Whilst awaiting the outcome of Crawley's submission, work continues to define detailed delivery for Year 1, so that this can commence as quickly as possible. This is necessary to ensure spend by the end of March, but crucially also to secure the engagement of the communities within the target areas to help shape the rest of the programme.
- 5.11 Once plans for Year 1 are in place, planning for delivery for Years 2 and 3 will commence, subject to receiving confirmation of funding. This is the bulk of the programme at £881k and will be key to delivering the outcomes outlined above. By taking a two-year approach, those receiving the funding to deliver the outcomes will have sufficient time both to mobilise and ensure delivery on the ground.
- 5.12 Work is also underway to finalise the governance arrangement for the programme. These will be guided by the overall principle that programme will sit alongside arrangements for the Towns' Fund. The UKSPF will be overseen by a sub-group of the Towns' Fund Board, but the Council will be the accountable body.
- 5.13 Crawley's submission includes funding for an 18-month post to manage the administration of the programme. This post would sit alongside the posts managing the Towns' Fund programme. In so doing, it brings increased resilience and flexibility to that team to ensure effective management of both programmes. Recruitment to that post will begin once funding is confirmed.

6. Implications

Financial

- 6.1 Should funding be secured, the Council will need to make provision for £1m over three years, including the current financial year. In 2022/23 that provision will be for £79k in the first year; £159k in the second; and £762k in the third. Of these amounts £7.9k, £9.6k, and £152.5k respectively is capital expenditure. The remainder is revenue.

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- 6.2 The weighting on the final third year bring risks in terms deliverability and care will be needed to minimise the risk of spend and deliverables not being achieved. Representations are being made to bring more of the Year 3 funding into Year 2.
- 6.3 It should be noted that until funding is allocated it cannot be assumed that Crawley will receive this funding. Recent Government announcements around the need to reduce expenditure means that the UKSPF could be at risk either in part or in full.

Staffing

- 6.4 UKSPF guidance states that 4% of the total fund (equivalent to £25k over the three years) can be used for administrative purposes. This is deemed insufficient given the administrative burdens of the fund. The Crawley submission requests a higher proportion to fund a post for 18 months on a fixed term contract). This post will sit alongside staff delivering the Towns' Fund programme providing resilience and flexibility.

Legal

- 6.5 If successful, the funding will be subject to funding agreements as is normal when receiving government funding. The Council will also be passporting monies to third parties and so will need to put in place appropriate and proportionate agreements to ensure that public monies are properly accounted for.

Governance

- 6.6 Whilst oversight of the programme will be through a sub-group of the Towns' Deal Board, the Council will be the accountable body, with the responsibilities and risks that this status entails. Suitable and proportionate governance arrangements will need to be in place to safeguard the Council's interests whilst ensuring delivery of the programme. This will follow similar principles to those being put in place for the Towns' Fund.

7. Background Papers

None

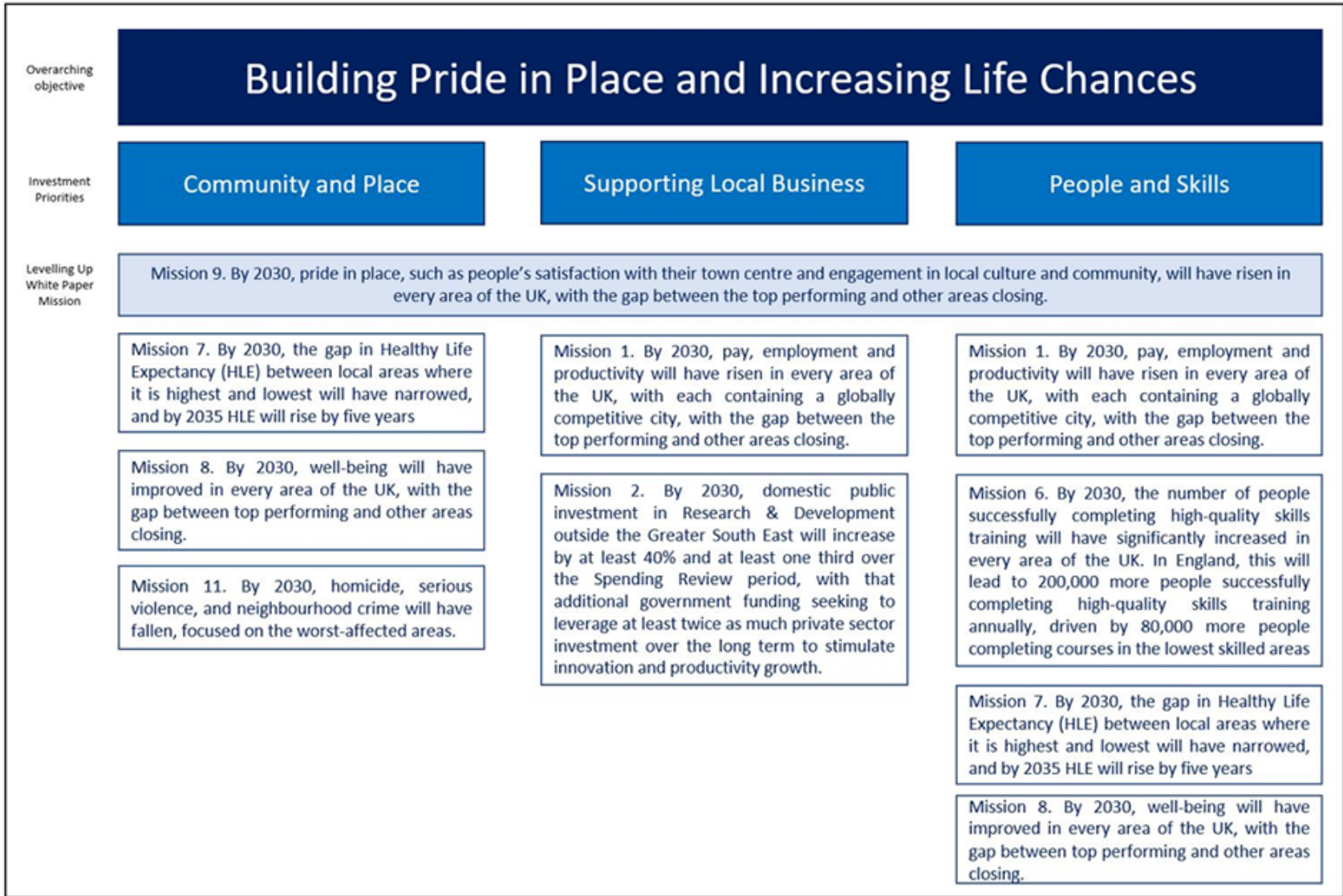
Contact Officer:

Ian Duke
Deputy Chief Executive

ian.duke@crawley.gov.uk, 01293 438005

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Appendix A



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UK Shared Prosperity Fund



Investment Plan Submission

Your location

To be eligible for funding, you will need to be applying on behalf of a lead authority in one of the [delivery geographies](#).

Select the lead authority **Crawley Borough Council**

For Scotland and Wales only: Who else is this investment plan being submitted on behalf of? Select all that apply

Your details

Name **Ian Duke, Deputy Chief Executive**
 Email address **ian.duke@crawley.gov.uk**
 Phone number **01293 438005**
 Organisation name **Crawley Borough Council**

Local challenges and opportunities

In this section, we will ask you:

- If you've identified any challenges or opportunities, you intend to support
- Which of the UKSPF investment priorities these fall under

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

Mission 9 – By 2030 pride in places, such as people’s satisfaction with their town centre and engagement in local and culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing

Crawley has lower levels of belonging scores compared to the national average. The sense of belonging can change depending on where someone lives within an area in Crawley (Social Life - Community Life Survey 2015/16). There is a higher concentration of lower sense of belonging in areas on the west, however this is also prevalent in pockets within neighbourhoods on the east.

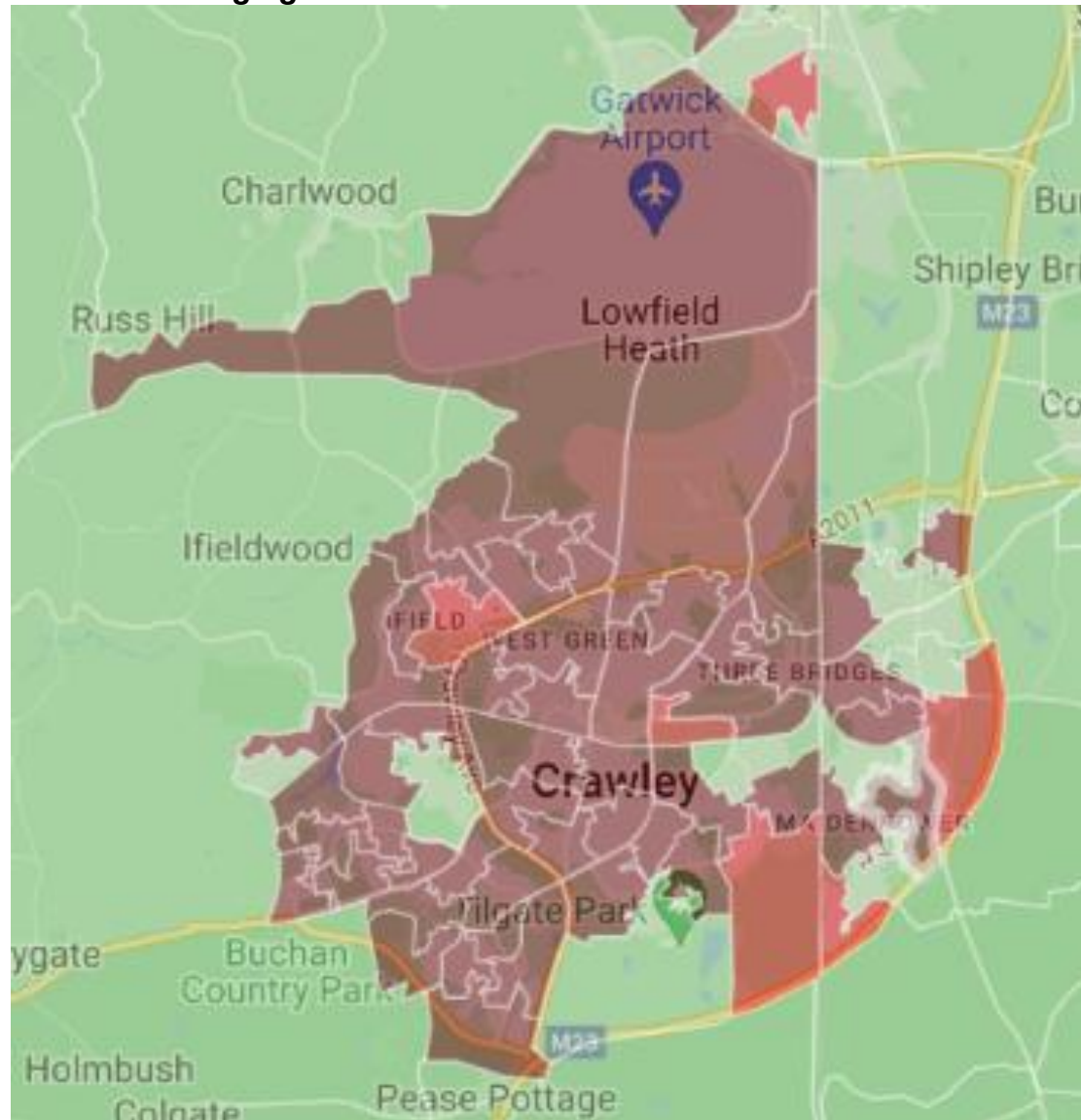
There are correlations between the level of belonging and the areas classed as multicultural metropolitans in the maps below. These areas are generally classed as urban areas with a high proportion of BME groups and a high proportion of families (ONS – Output Area Classification 2014). The areas classed as multicultural metropolitans in general also have lower sense of belonging.

The satisfaction as the local area as a place to live differs both across Crawley and within neighbourhoods. Areas in the north of Crawley show more satisfaction with

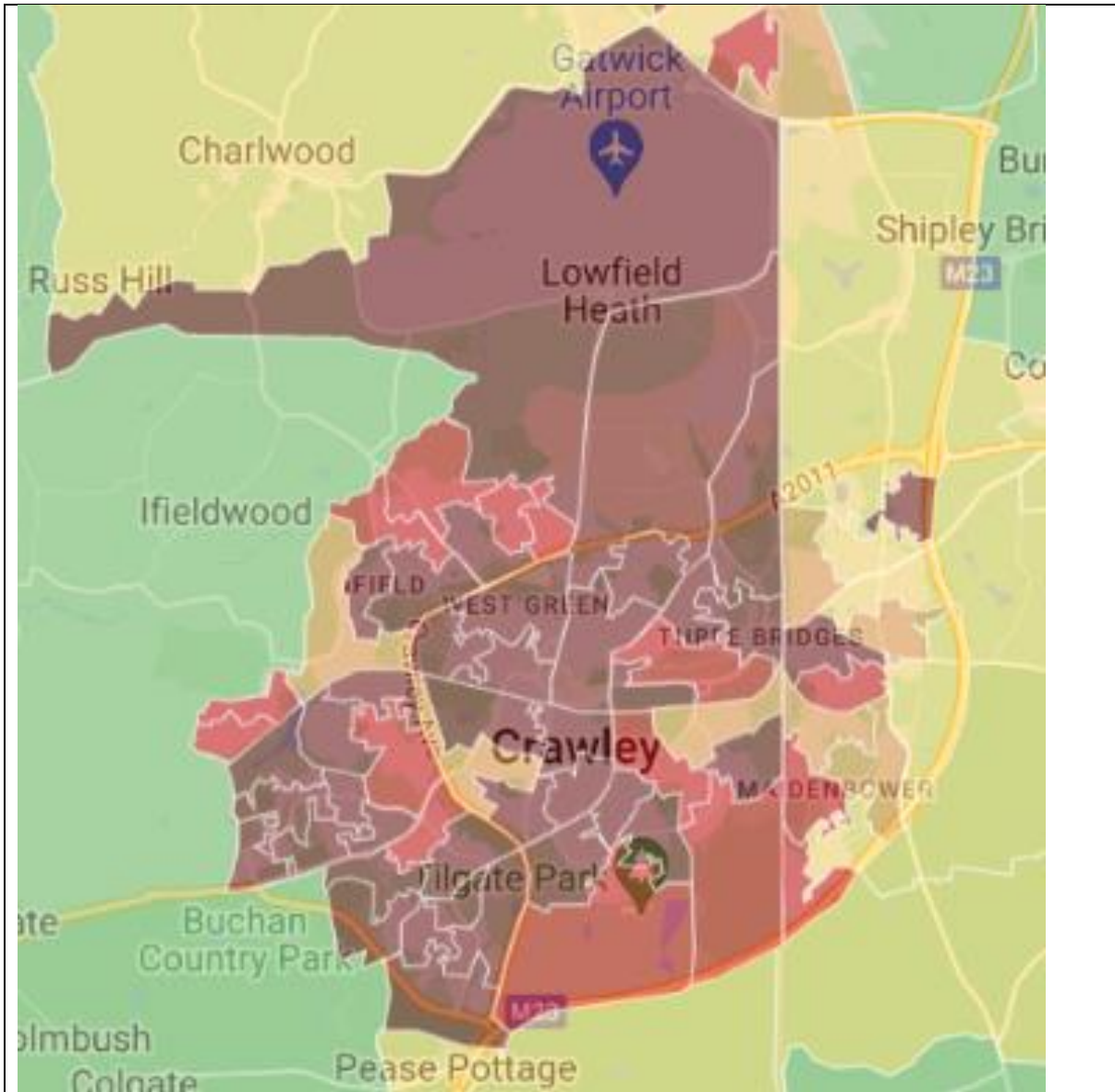
the local area as a place to live but report lower levels of belonging (Social Life - Community Life Survey 2015/16).

The darker brown and red colour in the map below shows where there are lower levels of belonging.

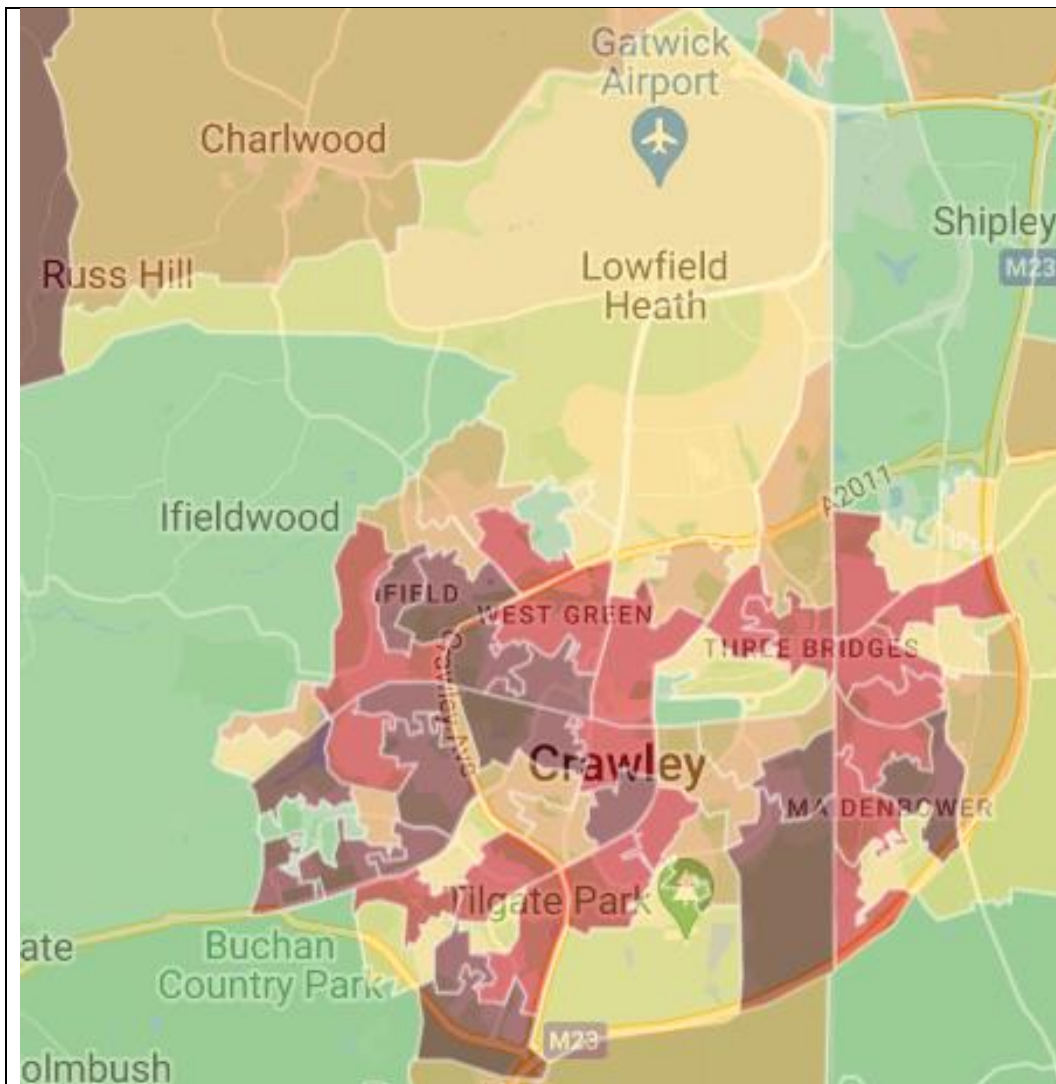
Sense of belonging



Level of satisfaction



Multicultural Metropolitans



Mission 7 – By 2020 the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2045 HLE will rise by 5 years.

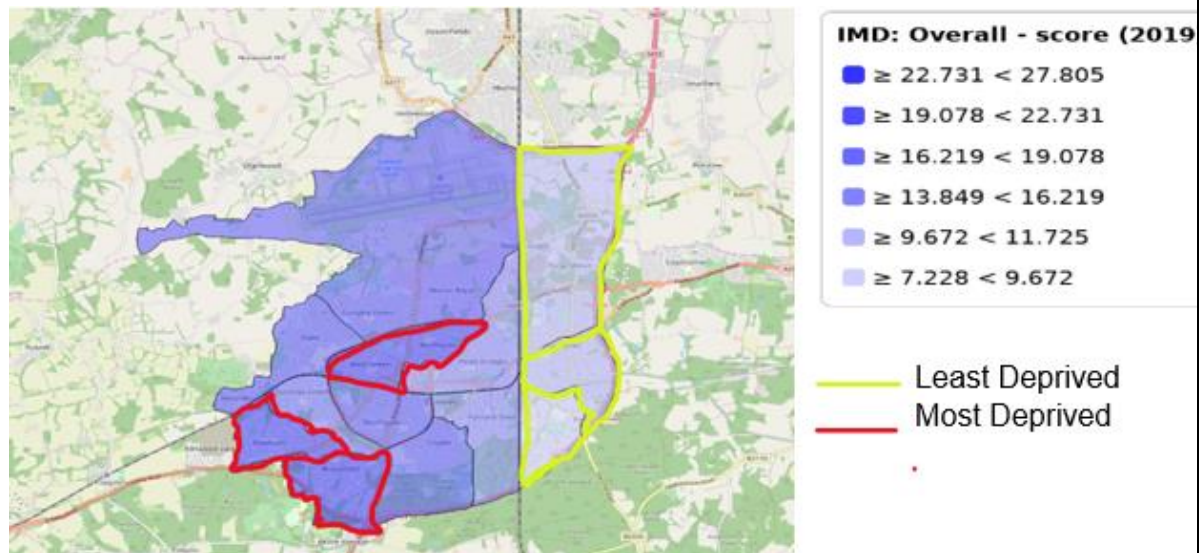
This is significant for Crawley which is ranked 16th worst performing borough or district in England for social mobility and the deprivation score is 2.3 times higher than the least deprived in the county.

There are differences in life expectancy in Crawley, which range from 79.5 years in Bewbush to 86.5 years in Maidenbower. Four of the neighbourhoods with the lowest life expectancy are situated in the west of the town, Bewbush, West Green, Ifield, and Broadfield with the four highest being in the east; Maidenbower, Pound Hill, Tilgate and Three Bridges.

The difference between the life expectancy for males and females with the average life expectancy for men being 80.2 years and females 84 years (WSCC JSNA 2021)

Inequality in life expectancy at birth; the difference in years of life expectancy across the gradient from most to least deprived is 5.3 years for males and 5.6 years for females (WSCC JSNA 2021).

There are vast differences in levels of deprivation across the town and within neighbourhoods and wards. IMD 2019 data shows that there is a divide geographically with the most deprived areas located in the west of Crawley and the least deprived areas of Crawley located in the east.



13 LSOA make up the top 20% most deprived LSOA in Crawley. 12 of the 13 LSOA are in the West of Crawley, with 5 of these in Broadfield, 3 in Bewbush and 2 in West Green.

4 of the top 10 most deprived LSOA for health deprivation are also in the top 20% for overall deprivation for Crawley; these are in West Green, Broadfield and Bewbush. One of the LSOAs in West Green is the most deprived for health inequalities in Crawley.

Crawley has a high levels of cancer mortality rates for under 75s as a town and low uptake levels of screening. The rate of deaths from cancer is higher within the most deprived areas in west of Crawley with Broadfield and Bewbush being the highest Rates (ONS – 2021) Crawley.

The number of households in poverty in Crawley is nearly double in Broadfield (26%) than in Maidenbower (14%). The pattern is the same for fuel poverty.

There is an elevated risk that the HLE gap is likely to increase with the sharp rise in cost of living and rise in inflation more likely to disproportionately affect those in the most deprived areas of Crawley. Three LSOA in Broadfield have been identified as most at risk of falling below an acceptable standard of living in Crawley due the result of rising costs.

Local community and voluntary organisations are already seeing significant rise in demand for their services including support to access food and advice and

guidance in relation to paying household bills, housing, debt management and accessing benefits.

Community organisations themselves are also being impacted by the rise in overhead costs and utilities which is disproportionate to grants from funding bodies which were awarded by set amounts. There is an elevated risk that this will have a negative impact on the level of service delivery at a time where demand for support to vulnerable individuals and families is at its highest.

Mission 8 – By 2030, well-being will have improved in every area of the UK, with the gap between top performing and others closing.

The most deprived wards of Crawley and more recently West Green and Furnace Green have the highest smoking and obesity rates and some of the lowest physical activity rates (PHE, Local Authority Health Profile 2018-20). It follows that the associated diseases and ill health will be more prevalent in these areas.

Smoking Prevalence

Current smokers aged 18+ in Crawley amount to approximately 15.5% (OFHID 2020) of the adult population. Crawley has the second highest prevalence of smoking in adults aged 18+ (PHE, Crawley Health Profile 2019). There are links to employment and smoking with the picture for adults in routine and manual occupation being less positive and has fallen even further behind since 2018 from 29.9% to 33.4% in 2020 compared to the England average of 21.4% for 2020 (OFHID).

Obesity

66.2% of residents are classified as overweight or obese in Crawley based on the latest Active Lives Survey. Approximately 18% of year 6 pupils in Crawley are obese (West Sussex Public Health 2019). The levels of obesity are higher in areas which have higher levels of deprivation. The levels for Broadfield, Bewbush and West Green are double that of Maidenbower and are higher than the Crawley average.

Alcohol misuse

There are higher levels of binge drinking in parts of Bewbush and Broadfield. Alcohol is a causal factor in more than 60 medical conditions, including: mouth, throat, stomach, liver and breast cancers, high blood pressure, cirrhosis of the liver, and depression. (Local Alcohol Profiles for England; short statistical commentary, Feb 2022 – GOV.UK).

Participation in activity

The most recent Active Life Survey (May 2020-21) shows a significant increase of 2.5% more inactive adults in England before the pandemic began. Crawley recorded the highest inactivity rates in Sussex at 31%, a significant increase of 5.9% before the pandemic began (Active Lives Survey 2020/21). At a neighbourhood LSOA level Furnace Green (013D) has the highest estimated inactivity levels in the whole of Sussex at 42.3% (Active Sussex, 2021).

Minority ethnic and first-generation migrant (i.e., those born outside the UK) communities in West Sussex are more prevalent in Crawley, where they accounted for 28% of the population in 2011. Minority and ethnic communities are known to face different barriers to services and health inequalities have been well documented (JSNA West Sussex Substance Misuse Health Needs Assessment, 2021)

Crawley’s Asian and Asian British residents report more long-term illness and “not good health” than White British and Other White populations across all ages. Higher rates were also found in the White Irish population, particularly those over 65 years of age.

Additional data identified during the Covid19 pandemic of 2020 has re-emphasised the wider health inequalities for our most vulnerable residents as well as those from Black, Asian, and Minority Ethnic heritage

Mission 11 – By 2030, homicide, serious violence and neighbourhood crime will have fallen, focussed on the worst affected areas

Information from Police.UK shows that violence and sexual abuse, anti-social behaviour, public order and criminal damage and arson are the highest reported offences in July 21-June 22 across most neighbourhoods. Broadfield has the highest number of offences for all categories except public order offences, on which it has the second highest (Three Bridges being the highest for this category). Within Broadfield there are higher numbers of offences within Broadfield Place/Coachmans Drive and Plantain and Fennel Crescent.

There are incidents of violence and sexual offences apparent across all neighbourhoods in Crawley. Broadfield (548), West Green (472) and Three Bridges (454) reported the most of this type in the period July 2021 – Jun 2022 with the lowest reported offences of this type being in Furnace Green (131) and Maidenbower (178).

Broadfield (291) and Southgate (220) have the highest for antisocial behaviour with Furnace Green (75) and Ifield (76) being the lowest.

Reported public order offences range from 151 in Three Bridges and 147 in Broadfield compared with 38 in Furnace Green and 53 in Maidenbower.

The gap in reported offences is also significant for criminal damage and arson with Broadfield again having the highest number of offences 124 compared to 35 in Maidenbower.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

The key opportunity is to use the UKSPF to address the inequalities identified by the evidence base above and seek to level up outcomes within both the Crawley

and national context. In developing the evidence base above, Local Super Output Areas were used to map outcomes. Analysis of the evidence base shows three areas within Crawley that stand out both for how often they are flagged and for their rankings:

- **Broadfield**
Very much the standout geography, with 5 LSOAs within the 13 LSOAs in Crawley that fall within the 20% most deprived locally with 2 also being in the 20% most deprived nationally. When looking at thematic areas, Broadfield is represented throughout, but particularly in terms of Income, Employment, Education & Skills, and Housing.
- **Bewbush**
3 LSOAs within the 20% most deprived locally, with a particular focus around education and skills.
- **West Green**
2 LSOAs within the 20% most deprived locally with a particular focus around Health, Employment and Crime.

Whilst other areas are also identified, they do not appear as regularly or at the same depth. The proposal is therefore to focus upon the above areas so as not to dilute focus too far given the limited resources available (with Crawley receiving the smallest possible allocation of UKSPF at £1m over 3 years).

The target areas above have traditionally proven harder to reach. There was significant learning during Covid about how to best target initiatives within hard-to-reach communities, for instance to increase vaccine take up. Crawley was widely recognised for its innovative approaches to overcoming the barriers that caused this. Central to this success was the use of community ambassadors and designing locally specific access. This approach is also being applied to health service take up in the Town.

Consequently, the approach agreed by local partners is to use Year 1 funding to undertake engagement sessions with residents, community champions, key stakeholders from the statutory, voluntary, community and business sectors within the three areas to:

- Map services and existing networks,
- Identify key needs, issues, and barriers to accessing services
- Inform, shape and tailor projects to be delivered in Years 2 & 3

This way, Year 2 & 3 interventions will be designed and targeted in a way to maximise take up and reduce barriers to access, whilst also maximising complementarity with other programmes to increase collective impact and increase the likelihood of sustainability post UKSPF funding.

Recognising that a significant barrier over the period of this programme is likely to be the impact of the cost-of-living crisis, we are also suggesting that Year 1 is used to increase the capacity of the voluntary sector to support residents in the following

areas:

- Fuel poverty
- Debt and financial management advice
- Access to Food – supporting local food banks

In developing the approach with partners, the following opportunities have been identified:

- **Crawley Wellbeing**
Enhance the wellbeing mobile unit service to offer targeted health and wellbeing preventative services within priority areas and identify, recruit and train community champions.
- **Crawley Borough Council**
Community Participatory Appraisal exercise within identified areas to work with the community to further explore issues/needs and identify solutions 22/23. Also focus on developing community pride etc.
- **Creative Crawley**
Building on a successful project in the Town Centre, suggest using large scale arts and culture to build a sense of pride in place. Opportunities for an arts talent training and development programme for young people aged 18-25. Seek to increase participation in arts activity to improve wellbeing, perhaps using the 'Give it a Go' workshops as a model.
- **Arts Council Priority Places**
Crawley has been identified as one of 54 Priority Places by Arts Council England. As part of its 2021-24 Delivery Plan, The Arts Council identified areas in England where investment and engagement in arts and culture was too low, and it will be prioritising investing in Crawley and working with local stakeholders.
- **NHS Sussex**
Are undertaking significant engagement and can align efforts where that makes sense. They will be developing an 'accessibility framework' which will understand barriers for the most disadvantaged groups and how we can design out barriers to accessing services. The development of health services focus is primarily around those most disadvantaged groups. It means ensure the integration of services including the wellbeing hub
- **West Sussex Affordable Energy Partnership**
Created by the Adur & Worthing Citizen Advice Bureau, it aims to provide all West Sussex residents with access to good quality energy advice, casework, and energy linked hardship schemes (e.g., fuel vouchers).

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

(If yes) Describe these challenges, give evidence where possible

Mission 1 – By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing

Crawley is a £6bn sub-regional economic driver, with the highest employment density outside of London. By national comparisons it performs well in terms of GVA and productivity. However, the local economy was hit hard by Covid-19, recognised as the worst hit economy nationally due to the twin impacts on air travel and related industries, and export industries more widely.

The Office for the Sussex Police & Crime Commissioner have highlighted business crime as an area of concern across Sussex. Total Reported Business Crime over the last 12 months for Crawley was 1749, rising from 1277 in 2021 and 1183 in 2020. Shoplifting represented 56.2% of business crime in Crawley.

Mission 2 – By 2030, domestic public investment in Research & Development outside the Greater South-East will increase by at least 40% and at least one third over the spending review period, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.

Crawley site within the South-East and so it assumed this mission is not relevant.

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT?

(If yes) Describe these opportunities, give evidence where possible

Crawley has been the recipient of Town Deal monies which, alongside the joint Growth Programme with West Sussex County Council, is driving the economic recovery plan. The partnership set up to oversee the Town Deal, known as the Town Deal Board, has also been the partnership mechanism used for this Investment Plan. Given the receipt of other monies to support local business, the scale of funding available through UKSPF (at £1m this is the lowest level of allocation), and the need identified in other priority areas, this investment priority is seen as less of a priority.

Through this process however, the following opportunities have been identified by partners, namely:

- **West Sussex County Council**
 Have proposed two potential interventions in this priority. Firstly, Business Support, Growth, and Innovation (including Low Carbon Economy) programmes that likewise see ESIF funding end in 2023. Secondly, new Energy Initiatives including community measures or decarbonisation
- **Office for the Sussex Police & Crime Commissioner**
 looking to enhance their Sussex-wide Business Crime Team and have developed an outline proposition
- **Coast to Capital Local Enterprise Partnership**
 Has expressed interest how the fund might support local business development and growth

These opportunities will firstly be considered in relation to the needs of the target areas. Should they not be relevant, they will be assessed as to whether they should be considered on their own merits.

ARE THERE ANY LOCAL CHALLENGES YOU FACE WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)

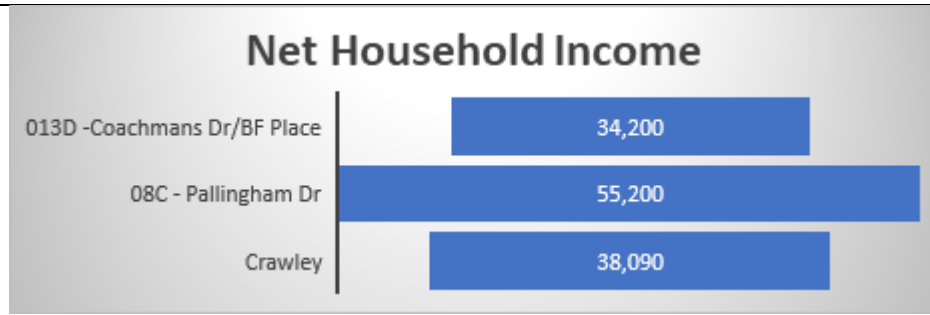
(If yes) Describe these challenges, give evidence where possible

Mission 1 – By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing

There are vast differences between household income and type of occupation people are employed in depending on which area a person lives in Crawley.

Income

Broadfield has the top 2 most deprived LSOAs for income deprivation in Crawley. There is a significant difference of over £20,000 between the net income in the most deprived overall LSOA in Broadfield at £34,200, and the least deprived overall LSOA in Maidenbower £55,200 (ONS 2020).



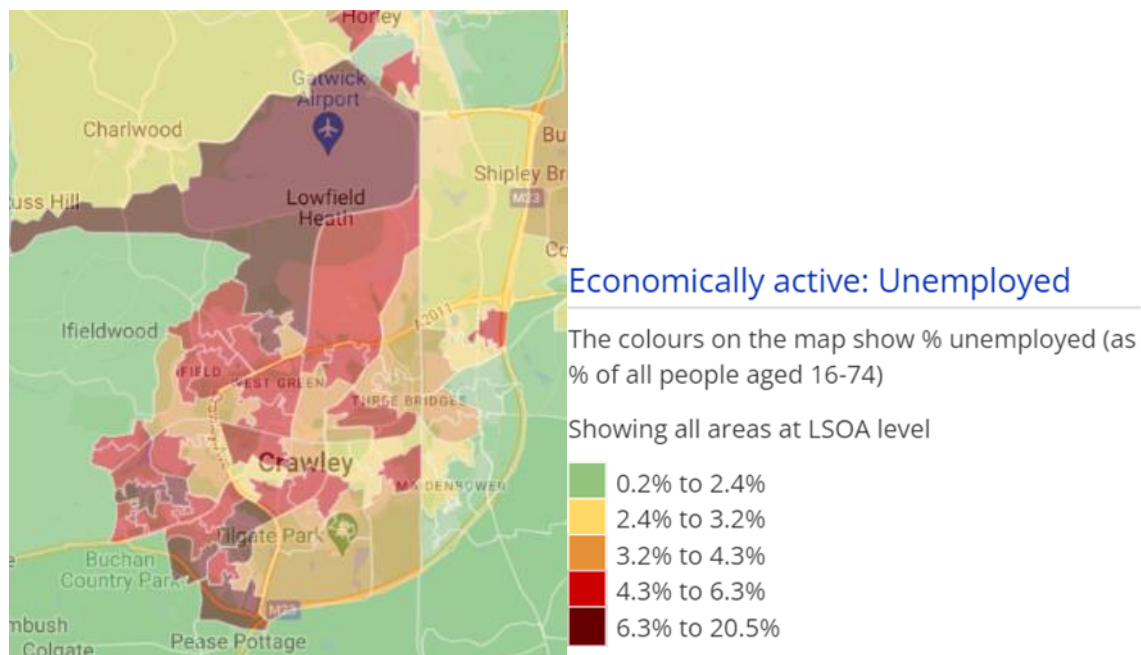
Crawley has the highest chance of a child being born into a low-income family in West Sussex. In Broadfield, the rate is 26.6%. 5 LSOAs in Bewbush, Broadfield and West Green which are in the top 13 for overall deprivation in Crawley are also in the top 10 for income deprivation affecting children. 3 of the LSOAs in Broadfield and 1 in Bewbush are in top 10 for income deprivation affecting older people with 2 LSOAs in Broadfield being ranked 1st and 2nd most deprived

Employment

For the period April 21 – March 22, the total (working age) population of people aged 16-64 in Crawley is 72,000 with 65,000 (90%) of those in employment. The total population of (working age) people that are economically inactive is 10,256 or 13.8% (Source NOMIS).

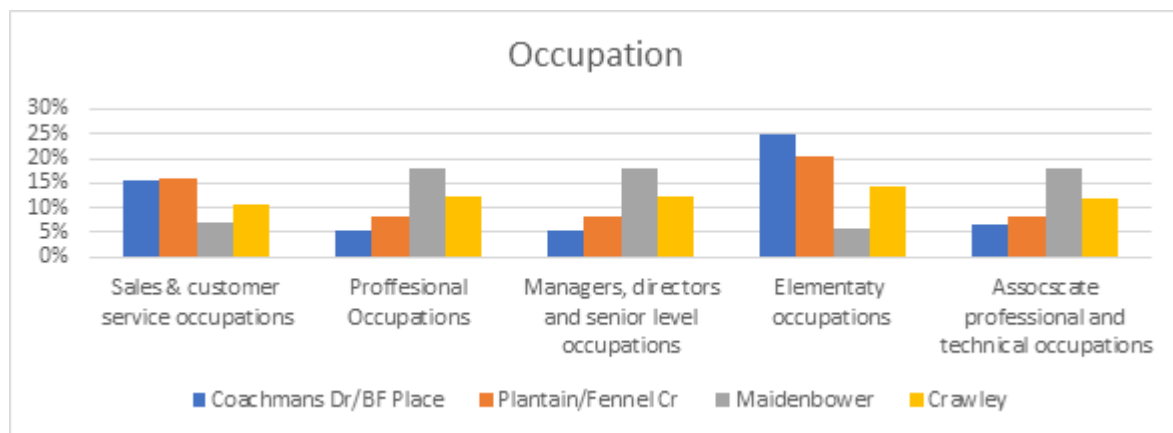
As a district this is the lowest in West Sussex and lower than the regional and UK averages. Pockets of unemployed and economically inactive are concentrated in the west of the borough:

Out of the top 20% LSOAs for overall deprivation 5 LSOAs, 3 in Broadfield and 2 in West Green are in the top ten LSOA most deprived for employment in Crawley.



A higher proportion of people in the west of Crawley are employed in elementary occupations. Elementary occupations are often lower paid and lower skilled. The most deprived LSOA in Broadfield has 25% employed within elementary occupations compared to 4.4% in the least deprived LSOA in Maidenbower (ONS).

In contrast the least deprived LSOA in Maidenbower has 19.4% employed within managerial and professional occupations, which are typically classed as higher skilled and are higher paid compared to 5.5% in the most deprived LSOA in Broadfield.



Universal Credit Claimant Count

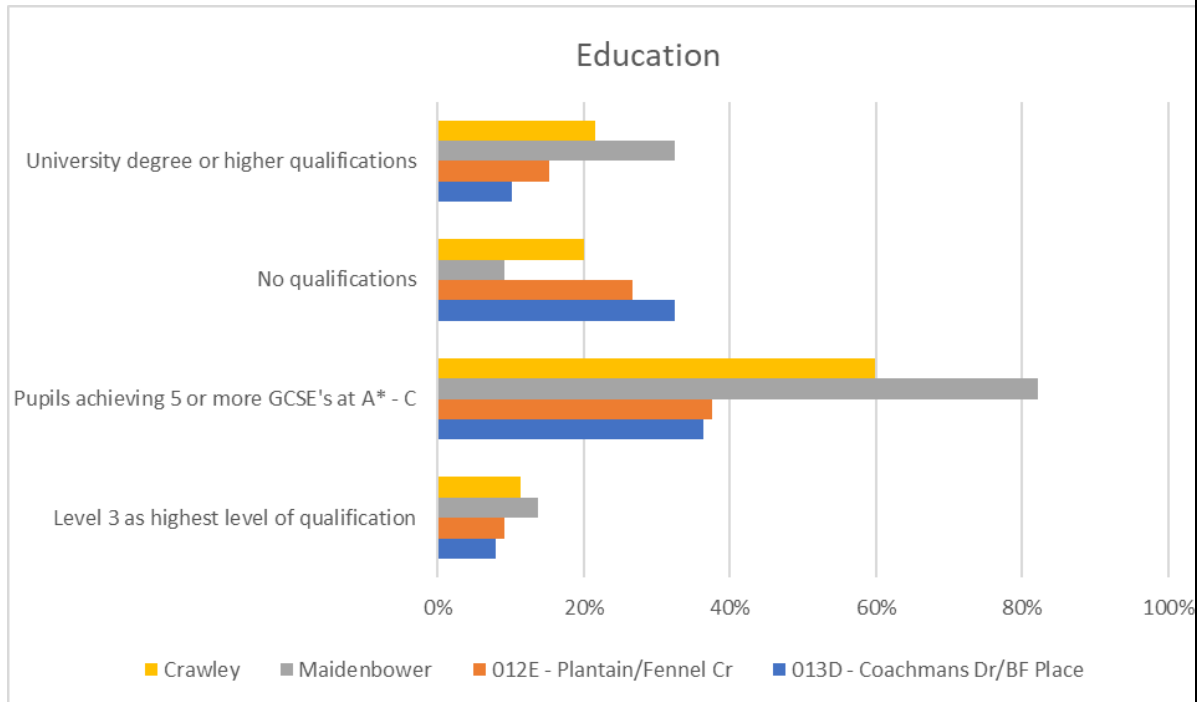
Crawley has consistently seen the highest % claimant count in West Sussex and the Coast to Capital area. At its peak in February/March 2021, Crawley’s UC claimant count had more than trebled from 2.7% to 8.9% - an increase of nearly 4,500 people. This was a direct consequence of the Covid-19 pandemic, and the economic impact on the town, recognised as being the greatest in the country.

Since February 2022, there has been a steady decline in the % claimant count with the latest figures (June 2022) showing 2,960 people claiming UC. Crawley’s rate remains the highest in West Sussex and higher than both regional and national averages (Source NOMIS).

Mission 6 – By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,00 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.

For the period Jan-Dec 2021, 35% of Crawley residents were qualified in NVQ Level 4 and above and 50% were qualified in NVQ 3. These are the lowest rates in West Sussex (source NOMIS).

The majority of the most deprived LSOA for education and skills are in the areas of deprivation in the west: 8 out of the top ten most deprived LSOAs for Education and skills are in Broadfield and Bewbush; 6 out of the top ten LSOA most deprived for adult skills are in Broadfield and Bewbush; 10% of people in the most deprived LSOA in Broadfield have a university degree or higher compared to 34% in the least deprived in Maidenbower; 33% of people in the most deprived LSOA in Broadfield have no qualifications compared to 8% in the least deprived LSOA in Maidenbower; and 18% of children do not achieve a GCSE grade higher than a D / 3 (England average is 13%).



Mission 7 – By 2020 the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2045 HLE will rise by 5 years.

15,702 (14.7%) of Crawley’s residents have a long-term condition that limits a person's day-to-day activities either a little or a lot. With population projections set to increase 9.8% overall between 2016-2026, disproportionately higher amongst the 65 years + age range, there will be a further need to provide preventative interventions to meet needs of an ageing population (source: CCG Data Pack 2014 – Revised Oct 15)

The percentage of working age benefit claimants in the most deprived LSOA in Broadfield (40%) is nearly three times greater than that of the least deprived LSOA in Maidenbower (14%)

ARE THERE ANY LOCAL OPPORTUNITIES UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY THAT YOU INTEND TO SUPPORT? (In Scotland, Wales, and Northern Ireland this should also include challenges relating to Multiply)
(If yes) Describe these opportunities, give evidence where possible

The key opportunity is to use the SPF to address the inequalities identified by the evidence base above and seek to level up outcomes within both the Crawley and national context. In developing the evidence base above, Local Super Output Areas were used to map outcomes. Analysis of the evidence base shows three areas within Crawley that stand out both for how often they are flagged and for their rankings:

- **Broadfield**
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3 LSOAs within the 20% most deprived locally, with a particular focus around education and skills.
- **West Green**
2 LSOAs within the 20% most deprived locally with a particular focus around Health, Employment and Crime.

Whilst other areas are also identified, they do not appear as regularly or at the same depth. The proposal is therefore to focus upon the above areas so as not to dilute focus too far given the limited resources available (with Crawley receiving the smallest possible allocation of SPF at £1m over 3 years).

The target areas above have traditionally proven harder to reach. There was significant learning during Covid about how to best target initiatives within hard-to-reach communities, for instance to increase vaccine take up. Crawley was widely recognised for its innovative approaches to overcoming the barriers that caused this. Central to this success was the use of community ambassadors and designing locally specific access. This approach is also being applied to health service take up in the Town.

Consequently, the approach agreed by local partners is to use Year 1 funding to undertake engagement sessions with residents, community champions, key stakeholders from the statutory, voluntary, community and business sectors within the three areas to:

- Map services and existing networks,
- Identify key needs, issues, and barriers to accessing services
- Inform, shape and tailor projects to be delivered in Years 2 & 3

This way, Year 2 & 3 interventions will be designed and targeted in a way to maximise take up and reduce barriers to access, whilst also maximising complementarity with other programmes to increase collective impact and increase the likelihood of sustainability post UKSPF funding.

In developing the approach with partners, the following opportunities have been identified:

- **Employ Crawley**
Locally targeted business start-up and employment support service for those in identified areas, that builds upon a successful borough-wide offer.
- **Think Futures**
Employment Support Programme for 18-25 (and complementary to Employ Crawley) currently funded through the European Structural and Invest Fund (ESIF) with funding ending in December 2023
- **NHS Sussex**
Keen to develop concept of ‘grow their own’ health professionals and so would like to think about how they can work together around careers advice, links with colleges, upskilling etc.
- **Manor Royal BID**
Funded pilot ‘Business-Community Partnership’ to harness business volunteering.

Interventions

In this section, we will ask you about:

- Interventions you’ve chosen for each year of funding
- Outcomes you want to deliver
- Any interventions that are not listed here
- How these interventions fall under the UKSPF investment priorities, and your rationale for them
- Interventions not included in our list will be assessed before being approved, where you will need to show a clear rationale, how the intervention is value for money, what outcomes it will deliver and how you will monitor and evaluate the intervention. This may include a theory of change or logic chain.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	
Jobs safeguarded	
Increased footfall	
Increased visitor numbers	
Reduced vacancy rates	
Greenhouse gas reductions	
Improved perceived/experienced accessibility	
Improved perception of facilities/amenities	
Increased number of properties better protected from flooding and coastal erosion	
Increased users of facilities / amenities	
Improved perception of facility/infrastructure project	
Increased use of cycleways or paths	
Increase in Biodiversity	
Increased affordability of events/entry	
Improved perception of safety	✓

Reduction in neighbourhood crime	
Improved engagement numbers	✓
Improved perception of events	
Increased number of web searches for a place	
Volunteering numbers as a result of support	✓
Number of community-led arts, cultural, heritage and creative programmes as a result of support	✓
Increased take up of energy efficiency measures	
Increased number of projects arising from funded feasibility studies	
Number of premises with improved digital connectivity	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE COMMUNITIES AND PLACE INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

E6: Support for local arts, cultural, heritage and creative activities.

E9: Funding for impactful volunteering and/or social action projects to develop social and human capital in local places

E11 Investment in capacity building and infrastructure support for local civil society and community groups

E12: Investment in community engagement schemes to support community involvement in decision making in local regeneration.

E13: Community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE COMMUNITIES AND PLACE LIST?

State the name of each of these additional interventions and a brief description of each of these

No

Explain how each intervention meets the Communities and Place investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention's planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?

Describe these projects, including how they fall under the Communities and Place investment priority and the location of the proposed project.

No. Potential projects are listed within the opportunities section above. Year 1

projects will be finalised over the coming weeks to ensure they are able to launch on confirmation of funding. The activities in Year 1 will support finalisation of projects for Years 2 & 3.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes No

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Jobs created	
Jobs safeguarded	
Increased footfall	
Increased visitor numbers	
Reduced vacancy rates	
Greenhouse gas reductions	
Number of new businesses created	
Improved perception of markets	
Increased business sustainability	
Increased number of businesses supported	
Increased amount of investment	
Improved perception of attractions	
Number of businesses introducing new products to the firm	
Number of organisations engaged in new knowledge transfer activity	
Number of premises with improved digital connectivity	
Number of businesses adopting new to the firm technologies or processes	
Number of new to market products	
Number of R&D active businesses	
Increased number of innovation active SMEs	
Number of businesses adopting new or improved products or services	
Increased number of innovation plans developed	
Number of early stage firms which increase their revenue following support	
Number of businesses engaged in new markets	
Number of businesses engaged in new markets	
Number of businesses increasing their export capability	
Increased amount of low or zero carbon energy infrastructure installed	
Number of businesses with improved productivity	
Increased number of projects arising from funded feasibility studies	
Increased number of properties better protected from flooding and coastal erosion	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE SUPPORTING LOCAL BUSINESS LIST?

State the name of each of these additional interventions and a brief description of each of these

No

Explain how each intervention meets the Supporting Local Business investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention’s planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes No

Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?

Describe these projects, including how they fall under the Supporting Local Business investment priority and the location of the proposed project.

No. Potential projects are listed within the opportunities section above. Year 1 projects will be finalised over the coming weeks to ensure they are able to launch on confirmation of funding. The activities in Year 1 will support finalisation of projects for Years 2 & 3.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes No

Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.

WHAT ARE THE OUTCOMES YOU WANT TO DELIVER UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY? SELECT ALL THAT APPLY.

Outcome	Tick if applicable
Number of economically inactive individuals in receipt of benefits they are entitled to following support	✓

Increased active or sustained participants of UKSPF beneficiaries in community groups [and/or] increased employability through development of interpersonal skills	✓
Increased proportion of participants with basic skills (English, maths, digital and ESOL)	✓
Number of people in supported employment [and] number of people engaging with mainstream healthcare services	✓
Number of people sustaining engagement with keyworker support and additional services	
Number of people engaged in job-searching following support	
Number of people in employment, including self-employment, following support	✓
Number of people sustaining employment for 6 months	
Increased employment, skills and/or UKSPF objectives incorporated into local area corporate governance	
Number of people in education/training	
Increased number of people with basic skills (English, maths, digital and ESOL)	
Fewer people facing structural barriers into employment and into skills provision	
Increased number of people familiarised with employers' expectations, including, standards of behaviour in the workplace	
Fewer people facing structural barriers into employment and into skills provision	
Number of people gaining a qualification or completing a course following support	
Number of people gaining qualifications, licences, and skills	
Number of economically active individuals engaged in mainstream skills education, and training.	
Number of people engaged in life skills support following interventions	
Number of people with proficiency in pre-employment and interpersonal skills (relationship, organisational and anger-management, interviewing, CV and job application writing)	
Multiply only - Increased number of adults achieving maths qualifications up to, and including, Level 2.	
Multiply only - Increased number of adults participating in maths qualifications and courses up to, and including, Level 2.	
None of the above	

SELECT THE INTERVENTIONS YOU INTEND TO USE WHICH MEET THE PEOPLE AND SKILLS INVESTMENT PRIORITY. YOU CAN SELECT AS MANY AS YOU LIKE.

Intervention

A full list of nation-specific interventions is available in the relevant annex to the Prospectus.

E26: Support for growing the local social economy, including community businesses, cooperatives and social enterprises

E33: Employment support for economically inactive people: Intensive and wrap-around one-to-one support to move people closer towards mainstream provision and employment, supplemented by additional and/or specialist life and basic skills (digital, English, maths* and ESOL) support where there are local provision gaps

E36: Intervention to increase levels of digital inclusion, with a focus on essential digital skills, communicating the benefits of getting (safely) online, and in-community support to provide users with the confidence and trust to stay online

E37: Tailored support to help people in employment, who are not supported by mainstream provision to address barriers to accessing education and training courses. This includes supporting the retention of groups who are likely to leave the labour market early

DO YOU PLAN TO USE ANY INTERVENTIONS NOT INCLUDED IN THE PEOPLE AND SKILLS LIST?

State the name of each of these additional interventions and a brief description of each of these

No

Explain how each intervention meets the People and Skills investment priority. Give evidence where possible, including why it is value money and the outcomes you want to deliver.

Do you consider that any of these interventions may provide a subsidy to potential recipients of the funding under the intervention’s planned activity?

All bids must also consider how they will deliver in line with subsidy control as [set out in the guidance](#).

Yes

No

Detail the assessment you undertook to consider whether the intervention is a subsidy and any specific measures you will take to make sure the subsidy is permitted.

ENGLAND ONLY: People and Skills interventions can only be used in 2022-2023 and 2023-2024 if you have identified a local voluntary and community provision, previously supported by the European Social Fund, at risk of closure. If you have not identified a suitable provision, you will not be able to select interventions for 2022-2023 and 2023-2024 and your investment plan will not be approved.

HAVE YOU ALREADY IDENTIFIED ANY PROJECTS for 2024-2025 WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

No. Potential projects are listed within the opportunities section above. Year 1 projects will be finalised over the coming weeks to ensure they are able to launch on confirmation of funding. The activities in Year 1 will support finalisation of projects for Years 2 & 3.

Describe the projects for 2024-25, including how they fall under the People and Skills investment priority and the location of the proposed project.

Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?

All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.		
No		
Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.		
HAVE YOU IDENTIFIED A LOCAL VOLUNTARY PROVISION AT RISK AS PART OF YOUR PEOPLE AND SKILLS INVESTMENT PRIORITIES?		
Yes	No ✓	
(If Yes) Describe the local voluntary provision at risk and your rationale for supporting it.		
<p>We would want to challenge the restriction outlined above, on the basis that it would fundamentally prevent us addressing needs within the target areas, and the missions set out within the Levelling-Up agenda. It would also be contrary to the Government's Growth agenda.</p> <p>Crawley has no local voluntary and community provision supported by ESF at risk of closure, and so would by following this restriction would not be able to meet the need evidenced earlier in this application. One of the potential projects listed above is ESIF funded until December 2023 but is not voluntary or community sector.</p> <p>We are seeking exemption from this restriction to allow for activity in 2023-24 as well as 2024-25.</p>		
Provide the European Social Fund Project Names and Project References for this voluntary and community provision at risk.		
What year do you intend to fund these projects? Select all that apply.		
2022-2023	2023-2024	2024-2025
Describe the projects for 2022-2023 and 2023-2024, including how they fall under the People and Skills investment priority and the location of the proposed project.		
Do you consider these projects may provide a subsidy to potential recipients of the funding under the proposed planned activity?		
All bids must also consider how they will deliver in line with subsidy control as set out in the guidance.		
Yes	No	
Detail the assessment you undertook to consider whether the proposed projects constitute a subsidy and any specific measures you will take to make sure the subsidy is permitted.		

Approach to delivery and governance

In this section, we will ask you about:

- Structures you have in place to support delivery
- Support you have from stakeholders and the local community
- How you've engaged with MPs as part of your investment plan
- Opportunities you have identified to work with other places

Places need to show how MPs that cover the lead local authority have been engaged on the investment plan and whether they support it. More detail on the role of MPs can be found here.

STAKEHOLDER ENGAGEMENT AND SUPPORT		
Have you engaged with any of the following as part of your investment plan? Select all that apply.		
Public sector organisations ✓	Private sector organisations ✓	Civil society organisations ✓
Describe how you have engaged with any of these organisations. Give examples where possible.		
<p>Engagement with these organisations has been:</p> <ul style="list-style-type: none"> • Achieved through their involvement in the Town Deal Board • Through the identification of and direct approach to specified organisations within the guidance that were not already part of the Town Deal Board • Responding to enquiries received from interested parties <p>Briefing notes, evidence base, and resulting suggested approach have been discussed and agreed with this Board in preparing this submission.</p>		
Summarise the governance structures you have in place, including how any advisory panels or associated partnership groups are made up		
<p>Given the timeframes involved and the amount available (the lowest possible allocation) it was decided the proportionate approach was to use an existing partnership. The partnership with the best fit (with the stakeholders set out in the guidance) was the Town Deal Board. This had the added advantage of also bringing together oversight of the different strands of the HMG's Levelling Up agenda in the town. Where there were obvious stakeholder gaps, either in terms of the guidance, or key local players, separate contact was made, and those stakeholders were invited to attend relevant meetings of the Town Deal Board.</p> <p>It is anticipated that a sub-group of the Town Deal Board will be created specifically to provide a dedicated partnership body. The composition of this sub-group will be decided over the coming weeks.</p>		
Confirm all MPs covering your lead local authority have been invited to join the local partnership group.		
Yes ✓	No	
Are there MPs who are not supportive of your investment plan?		
Yes	No ✓	
(If Yes) Who are the MPs that are not supportive and outline their reasons why.		

PROJECT SELECTION	
Are you intending to select projects in any way other than by competition for funding?	
Yes	No ✓
(If Yes) Describe your approach to selecting projects, and why you intend to do it this way.	
<p>Whilst it would not be our intention, it is nonetheless possible that there may be instances where due to issues of pace, sustainability or specialisms, projects are selected without competition.</p> <p>The steer of the Town Deal Board has also been that given the size and length of the UKSPF programme for Crawley, it is important that the projects funded should add value and complement existing activity, rather than risk competing and duplicating scarce resources.</p> <p>We can confirm that should this position arise, the selection of projects will be undertaken within the Council's relevant frameworks, including procurement.</p>	

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE COMMUNITIES AND PLACE INVESTMENT PRIORITY?	
Which interventions do you intend to collaborate on? Select all that apply.	
Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	<input type="checkbox"/>
	<input type="checkbox"/>
Describe any interventions not included in this list?	
Who are the places you intend to collaborate with?	

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE SUPPORTING LOCAL BUSINESS INVESTMENT PRIORITY?	
Which interventions do you intend to collaborate on? Select all that apply.	
Intervention	Tick if applicable
<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	<input type="checkbox"/>
	<input type="checkbox"/>
Describe any interventions not included in this list?	
Who are the places you intend to collaborate with?	

DO YOU INTEND TO WORK WITH OTHER PLACES ON ANY OF THE INTERVENTIONS WHICH FALL UNDER THE PEOPLE AND SKILLS INVESTMENT PRIORITY?

Which interventions do you intend to collaborate on? Select all that apply.

Intervention	Tick if applicable
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<i>A full list of nation-specific interventions is available in the relevant annex to the Prospectus.</i>	
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Describe any interventions not included in this list?

Who are the places you intend to collaborate with?

PUBLIC SECTOR EQUALITY DUTY

How have you considered your public sector equality duty in the design of your investment plan?

Crawley Borough Council has followed the principles set out within its Equality, Diversity & Inclusion Statement 2022–26. This statement supports our commitment to the Public Sector Equality Duty and ensures we consider the needs of all individuals in our day-to-day work, in shaping policy, delivering services and in relation to our own employees.

The evidence base provided has deliberately gone back to first principles, assessing how our places, and the communities within, perform against the missions. In doing so, partners from a wide range of statutory, voluntary and community organisations were consulted with and helped to shape the plan.

The decision to focus Year 1 activity on engaging the communities within the target areas is to tailor the interventions in Years 2 & 3 to their needs. In doing so partners can maximise take up, impact and outcomes. This assessment will include considerations as set out in the ED&I statement.

How will you consider your public sector equality duty when implementing your investment plan, including in the selection of projects?

See above. Projects will need to demonstrate how they will adapt delivery to meet the outcome of this assessment. This will be considered in regard to;

- The provision of direct services
- The commissioning and procurement of goods and services
- The recruitment, employment, training, and development of staff
- Consultation with local people and in our partnerships with other organisations
- When exercising our statutory powers and responsibilities.

RISKS

Have you identified any key risks that could affect delivery, for example lack of staff or expertise?

Yes ✓	No
(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.	
<p>The key risks identified are as follows:</p> <ul style="list-style-type: none"> <li style="margin-bottom: 15px;"> <p>• Delivery and timeframes Year 1 of the UKSPF ends on 31 March 2023. Indications currently are that sign off on funding might not be until November or even December, leaving just 3-4 months to fund projects that can achieve spend. The programme has been structured for engagement and cost-of-living activities during Year 1 and all attempts will be made to proceed with this as far as possible to allow rapid implementation, but the risk remains.</p> <li style="margin-bottom: 15px;"> <p>• Costs The economic context raises uncertainty over the medium term both in terms of budgeting (wage inflation, materials, energy costs etc), and the capacity of organisations to be able to deliver given the likelihood of departmental savings being passed down to the local eco-system. Care will need to be taken when allocating funding to ensure risks are being accounted for within proposals.</p> <li style="margin-bottom: 15px;"> <p>• Capacity There is not sufficient, existing capacity to deliver the UKSPF programme in line with expectations. Crawley has a successful track record in delivering growth programmes, and as such has the skills and experience. The mitigation will need to be additional staffing to sit within the current team delivering the Town Deal Fund to the benefit of both programmes.</p> <li style="margin-bottom: 15px;"> <p>• Take up The areas being targeted (as set out above) have traditionally faced greater barriers to accessing support. The reasons for these are complex but consistent with the pattern of disadvantage. To succeed where others have failed the projects funded need to tailor their approach to maximise take up and therefore impact. Successful approaches during Covid and subsequently shows how working with local ambassadors can shape projects to this end. Accordingly, Year 1 will be used to engage in a way to shape and tailor project delivery in Years 2 & 3.</p> <li style="margin-bottom: 15px;"> <p>• Employment & Skills The analysis above demonstrates that the areas chosen require employment and skills provision. The Investment Plan template for England sets out that funding under the People & Skills Investment Priority can only be allocated in 2024/25 unless being given to VCS provision in receipt of ESF funding and at risk. With no such provision currently operating in the town, this restriction obstructs the partnership intention to address outcomes in this area. The mitigation is to challenge this restriction and request an exemption.</p> 	
Have you identified any key fraud risks that could affect UKSPF delivery?	
Yes	No ✓

(If Yes) Describe these risks or issues, including the contingency measures you have in place to mitigate them.

Capacity and capability

In this section, we will ask you about:

- The capacity and capability of your team to manage funding
- The resources you have in place for work related to UKSPF

Your answers here will help us know how to support you with delivery. They will not affect the amount of funding you will get.

Answer as honestly as possible.

TEAM RESOURCE

How many people (FTE) will be put in place to work with UKSPF funding?

<p>The Council has a small team of two FTE’s currently delivering the Town Deal Board. The intention is to bolster capacity in this team to deliver the UKSPF programme. This will require another 1 FTE for 18 months, that will ensure flexibility and resilience across this team to deliver both the Town Deal Fund and the UKSPF. This is the most cost-effective way of delivering the programme and mitigating risk in relation to capacity.</p>

Describe what role these people will have, including any seniority and experience.

<p>The role of this post and the wider team in which it sits will be to:</p>
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- | |
|---|
| <ul style="list-style-type: none"> • To provide an efficient and effective administrative and project support service to the Towns Fund Programme Manager and Town Deal Board. • To communicate effectively with both internal and external stakeholders, including the Crawley Economic Task Force (CERT) and Town Deal Board and co-ordinate programmes of consultation within the target communities. • To proactively support the development of projects to deliver the Investment Plan including key stakeholder input • To provide efficient and proactive support to specific project functions and project leads across the programme and challenge the plans where appropriate, ensuring a coherence to delivery. • Develop and implement systems to ensure key tasks and activities are progressing according to the agreed timescales and if not, agree appropriate remedial actions • To prepare written reports and presentations for the Town Deal Board, and other stakeholder groups as required, to update them on progress with the delivery of the Investment Plan • To support the ongoing performance monitoring process, including the collection of required data, ensuring accuracy and that any reporting deadlines are met. • To schedule and organise informal and formal meetings on behalf of the Towns Fund Programme Manager and Town Deal Board, including the |
|---|

preparation and circulation of agendas, meeting notes and follow up action points, to ensure that meetings run efficiently and conform to governance arrangements.

- To carry out all duties in accordance with relevant legislation, Council policies, procedures and standards, and the requirements of the UKSPF programme.

This post will be pitched at an officer level but sits within a team that includes the Town's Fund Programme Manager, which in turn sits within a service area and division with substantial experience of delivering programmes.

- Strong capability: Has extensive experience and/or a proven track record of delivery in this area.
- Strong capacity: High degree of confidence that there is enough staffing/resource to manage funding in this area.
- Some capability: Has previous experience of delivery in this area.
- Some capacity: Confident that there is enough staffing/resource to manage funding in this area.
- Limited capability: Does not have previous experience and/or no track record of delivery in this area.
- Limited capacity: Limited confidence that there is enough staffing/resource to manage funding in this area. Additional resource may be needed to support delivery.

CAPACITY AND CAPABILITY		
How would you describe your team's current experience of delivering funding and managing growth funds?		
Very experienced ✓	Some experience	No previous experience
How would you describe your team's current capability to manage funding for procurement?		
Strong capability ✓	Some capability	Limited capability
How would you describe your team's current capability to manage funding for procurement? <i>Assuming this should read capacity</i>		
Strong capability	Some capability	Limited capability ✓
How would you describe your team's current capacity to manage funding for procurement?		
Strong capacity	Some capacity	Limited capacity ✓
How would you describe your team's current capability to manage funding for subsidies?		
Strong capability	Some capability	Limited capability ✓
How would you describe your team's current capacity to manage funding for subsidies?		
Strong capacity	Some capacity	Limited capacity ✓

COMMUNITIES AND PLACE CAPACITY AND CAPABILITY		
Does your local authority have any previous experience of delivering the Communities and Place interventions you have select?		
Yes ✓	No	
How would you describe your team's current capability to manage funding for Communities and Place interventions?		
Strong capability ✓	Some capability	Limited capability
Describe the key capability challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.		

Describe what further support would help address these challenges.		
How would you describe your team's current capacity to manage funding for Communities and Place interventions?		
Strong capability	Some capability	Limited capability ✓
Describe the key capacity challenges (if you have any) for delivering Communities and Place interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
<p>Crawley has a strong track record of delivering programmes, demonstrated by the progress made on the Town Deal Fund. However, with the Council and its partners delivering a substantial growth agenda, there is no spare capacity available to deliver the UKSPF.</p>		
Describe what further support would help address these challenges.		
<p>The proposals set out in other sections around core resourcing is designed to address this in the most cost-effective way.</p>		

SUPPORTING LOCAL BUSINESS CAPACITY AND CAPABILITY		
Does your local authority have any previous experience of delivering the Supporting Local Business interventions you have select?		
Yes ✓	No	
How would you describe your team's current capacity to manage funding for Supporting Local Business interventions?		
Strong capability ✓	Some capability	Limited capability
Describe the key capability challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Describe what further support would help address these challenges.		
How would you describe your team's current capacity to manage funding for Supporting Local Business interventions?		
Strong capability	Some capability	Limited capability ✓
Describe the key capacity challenges (if you have any) for delivering Supporting Local Business interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
<p>Crawley has a strong track record of delivering programmes, demonstrated by the progress made on the Town Deal Fund. However, with the Council and its partners delivering a substantial growth agenda, there is no spare capacity available to deliver the UKSPF.</p>		
Describe what further support would help address these challenges.		
<p>The proposals set out in other sections around core resourcing is designed to address this in the most cost-effective way.</p>		

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PEOPLE AND SKILLS CAPACITY AND CAPABILITY		
Does your local authority have any previous experience of delivering the People and Skills interventions you have select?		
Yes ✓	No	
How would you describe your team's current capability to manage funding for People and Skills interventions?		
Strong capability ✓	Some capability	Limited capability
Describe the key capability challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Describe what further support would help address these challenges.		
How would you describe your team's current capacity to manage funding for People and Skills interventions?		
Strong capability	Some capability	Limited capability ✓
Describe the key capacity challenges (if you have any) for delivering People and Skills interventions. This may include challenges within your local authority and/or your local/regional delivery system.		
Crawley has a strong track record of delivering programmes, demonstrated by the progress made on the Town Deal Fund. However, with the Council and its partners delivering a substantial growth agenda, there is no spare capacity available to deliver the UKSPF.		
Describe what further support would help address these challenges.		
The proposals set out in other sections around core resourcing is designed to address this in the most cost-effective way.		

SUPPORT TO DELIVERY UKSPF	
All lead authorities can use up to 4% of their UKSPF allocation to support the delivery of their chosen interventions but by exception, lead authorities will be able to use more than 4%. Are you planning to use more than 4%?	
Yes ✓	No
(If Yes) Explain why you wish to use more than 4%.	
4% of the £1m allocation equates to £25k. This is insufficient to provide the staffing resource required, as set out elsewhere in this submission. The role identified will be needed for 18 months with a total cost of £42k plus on costs.	

Approvals

Before submitting your investment plan, you should have approval from your:

- Chief Executive Officer
- Section 151 Officer
- Leader of your lead authority

Do you have approval from your Chief Executive Officer for this investment plan?

- Yes ✓
- No

Do you have approval from your Section 151 Officer for this investment plan?

- Yes ✓
- No

Do you have approval from the leader of your lead authority for this investment plan?

- Yes ✓
- No

If you do not have approval from any of these people, please explain why this is:

Additional documents

You will have received an email giving you access to a folder where you will need to upload supporting evidence to your investment plan. All applicants must complete and upload the following spreadsheet to the folder prior to submitting their investment plan:

- UKSPF Expenditure Profile spreadsheet
- UKSPF Indicative Deliverables spreadsheet

Your investment plan submission will be considered incomplete without the required documents.

Have you completed and uploaded the two spreadsheets to the SharePoint folder as requested?

- Yes
- No ✓

Please note we have no record of receiving these spreadsheets. In the past days we have contacted to request these but have received no response at the time of submission. Given the title of the spreadsheets it is likely that it would in any case be premature to complete these.