



Crawley Borough Council

Overview and Scrutiny Commission

Agenda for the **Overview and Scrutiny Commission** which will be held in **Committee Room C - Town Hall**, on **Monday, 25 September 2023** at **7.00 pm**

Nightline Telephone No. 07881 500 227

A handwritten signature in black ink, appearing to read 'S. Russell', positioned above the title 'Chief Executive'.

Chief Executive

Membership:

Councillors

M L Ayling (Chair), H Hellier (Vice-Chair), I Ashraf, K Khan, R A Lanzer, T Lunnon, J Millar-Smith, A Pendlington, S Piggott, S Raja and J Russell

Please contact Democratic Services if you have any queries regarding this agenda.
democratic.services@crawley.gov.uk

Published 15 September 2023



01293 438000

crawley.gov.uk
democracy.crawley.gov.uk

Town Hall
The Boulevard
Crawley
West Sussex
RH10 1UZ

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 - 8
To approve as a correct record the minutes of the Overview and Scrutiny Commission held on 4 September 2023.	
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. 2023/2024 Budget Monitoring - Quarter 1	9 - 30
To consider report FIN/633 of the Head of Corporate Finance.	
6. Cabinet Member Discussion with the Cabinet Member for Housing	31 - 32
Councillor Irvine has been invited to attend the Commission for a general discussion on the Housing portfolio and their duties. A copy of the Cabinet Member's responsibilities as set out in the Council's Constitution is attached.	
7. Health and Adult Social Care Scrutiny Committee (HASC)	
To receive a brief update on the Health and Adult Social Care Scrutiny Committee (HASC).	
8. Forthcoming Decision List - and Provisional List of Reports for the Commission's following Meetings	
To consider any requests for future items .	
9. Supplemental Agenda	
Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.	

	Pages
<p>10. Exempt Information – Exclusion of the Public</p> <p>The Commission is asked to consider passing the following resolution:-</p> <p>That under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraphs specified against the item.</p> <p style="text-align: center;">Part B - (Closed to the Public)</p>	
<p>11. Proposed Land Disposal of St Catherine's Hospice Site</p> <p><i>Exempt Paragraph 3</i> <i>Information relating to financial and business affairs of any particular person (including the Authority holding that information)</i></p> <p>To consider report SHAP/88 of the Head of Strategic Housing.</p>	33 - 36
<p>12. Future Acquisitions for Affordable Housing Delivery</p> <p><i>Exempt Paragraph 3</i> <i>Information relating to financial and business affairs of any particular person (including the Authority holding that information)</i></p> <p>To consider report CH/201 of the Head of Crawley Homes.</p>	37 - 42

This information is available in different formats and languages. If you or someone you know would like help with understanding this document please contact the Democratic Services team on 01293 438549 or email: democratic.services@crawley.gov.uk

This page is intentionally left blank

Crawley Borough Council

Minutes of Overview and Scrutiny Commission

Monday, 4 September 2023 at 7.00 pm

Councillors Present:

M L Ayling (Chair)
H Hellier (Vice-Chair)
I Ashraf, K Khan, R A Lanzer, T Lunnon and J Russell

Also in Attendance:

Councillors B J Burgess and Y Khan

Officers Present:

Georgina Bouette	Head of Community Services
Dan Carberry	Public Protection and Enforcement Manager
Ian Duke	Deputy Chief Executive
Heather Girling	Democratic Services Officer

Apologies for Absence:

Councillors J Millar-Smith, A Pendlington, S Piggott and S Raja

1. Disclosures of Interest and Whipping Declarations

No disclosures or whipping of interests were made.

2. Minutes

The minutes of the meetings of the Commission held on 26 June 2023 and 10 July 2023 were approved as a correct record and signed by the Chair.

3. Public Question Time

No questions from the public were asked.

4. Exempt Information – Exclusion of the Public

RESOLVED

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

5. Review of the Community Warden Service and the Creation of Community Protection Team

Exempt Paragraphs 1 & 4 –
Information Relating to an Individual; and

Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority.

The Commission considered report HCS/064 of the Head of Community Services. The report sought a review and proposed restructure of the Community Warden Service, including the Straying Dogs provision..

During the discussion with the Cabinet Member for Public Protection, the Head of Community Services and the Public Protection and Enforcement Manager, Councillors made the following comments:

- Acknowledgement that following a review, it was determined that the current service model was, in parts, no longer fit for purpose and was not currently designed to meet the increased level of demand for more complex enforcement activity.
- Recognition that meaningful change was required, and the proposed revised Community Protection model sought to modernise the service in order to meet the identified demands. It would provide local residents with an enhanced enforcement response to anti-social behaviour, low level public-space crime and environmental crime.
- It was remarked that it would be beneficial to consider the future financial longevity of the service.
- Confirmation was sought and explanation provided on the financial aspects documented in the appendix, along with clarification on the service resources, which was confirmed were of a similar nature to those benchmarked.
- Clarity was also sought on the straying dogs service and its future provision.
- Recognition that it was paramount that any change needed to be clearly communicated to the public and this included reporting mechanisms, monitoring systems and analysis.
- General support for option 2, which was felt would deliver an improved service for the benefits of residents, stakeholders and the community. Given the importance of the service, it was moved by Councillor Ayling (seconded by Councillor Hellier) that the OSC receive an update on the newly formed Community Protection Team in approximately 18 months' time (subject to timescales and resources).

With the agreement of the Chair, Councillor Burgess also spoke on the item and the Cabinet Member together with the Public Protection and Enforcement Manager responded to their questions on the report.

RESOLVED

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

Re-Admission of the Public

The Chair declared the meeting reopen for consideration of business in public session.

6. Cabinet Member Discussion with the Cabinet Member for Public Protection

The Commission noted the update given by Councillor Yasmin Khan and questioned her on a variety of issues relating to the portfolio. A general summary of the key points included:

- A youth consultation was to be held in collaboration with the two week Junior Citizen programme (with assistance from the Youth Council). This would establish where young people feel most and least safe, and what were their biggest safety concerns when out in the town's public spaces.
- Operation Browning was established following a knife crime incident close to the town centre and through the intelligence gathering, work conducted by the Police, Council, and alongside intensive safeguarding work in partnership with West Sussex had resulted in a reduction in street gang activities.
- Work had taken place with the Town Centre BID to install CCTV cameras in the Memorial Gardens and this had assisted in a positive reduction in incidents within the park.
- The revamp on the Safer Crawley Partnership had been a successful piece of work which has been led by the Council. The partnership agreed 5 new priorities in January 2023, and they were Violence Against Women and Girls, Protecting Vulnerable Individuals, Violent and Organised Crime, Youth-related Anti-social Behaviour and cost-of-living related crime. In July 2023, an additional priority was agreed; Drug-related harm, which would see the partnership champion a drug demand survey to provide detailed analysis of drug use in Crawley and the impacts of this. The OSC still receives its regular annual updates (next one agreed for January OSC with Police). Full review of priorities was due 2024.
- Community Safety Panels for women from Black and minority ethnic communities would be launched this year, which would be used at a platform to increase community understanding of areas such as hate crime, prevent, exploitation and domestic abuse.
- Since April 2023 work, activities and inspections had regularly taken place throughout the nighttime economy and at premises, as there was a commitment to ensure those enjoying their time out felt safe. During the summer, 'Have fun, stay safe' joint initiative was launched with partners.
- It was paramount that plans for CCTV networks were accelerated to ensure that these would be retained given BT was retiring the current contract. Work was ongoing with regards to the retention of the current contract in relation to the existing cameras.
- With regards to parking, the current contract with WSCC was until 2024/2025 to deliver on and off street parking enforcement.
- The 'Immediate Justice' scheme was due to launch in Sussex in autumn 2023, which will see offenders tasked with delivering reparative action within 48 hours of their 'out of court disposal' in the communities they have harmed. Three locations in Crawley have been chosen for this activity; Town Hall & Orchard Street Car Park for litter picking and decoration and Tilgate Park for litter picking. The scheme was due to last for two years and was designed to provide a visible message that the council take anti-social behaviour seriously. For young or

vulnerable people, there were alternative activities such as improving woodland areas overseen by the Youth Justice Team.

- A Senior ASB Officer had been appointed and is assisting in the work throughout the service. The NASB service had introduced an app, whereby residents can upload photos and footage to assist in evidence gathering. Although some evidence still requires an authorised officer to witness the event, the benefit being that the photos were date and time stamped.
- It was noted that as the private sector housing regulation appeared until the Public Protection remit, four properties had been issued with improvement notices. There was a quality assurance system in place, together with the council's complaints system. It was acknowledged that the council took a balanced approach as to when to promote its enforcement and prosecution powers.
- Recognition that it was important to keep reporting all issues, to either the council via MyCrawley or 101 (depending on the problem) as this would ensure accurate intelligence, reporting and monitoring.
- It was hoped that the split between the Community Engagement and new Cabinet member Public Protection role had resulted in being able to create a greater emphasis on each area whilst being able to engage with the community.

RESOLVED

That the Overview and Scrutiny Commission thanked Councillor Yasmin Khan 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:

1. 2023-2024 Budget Monitoring – Quarter 1
2. Proposed Land Disposal of St Catherine's Hospice Site – PART B
3. Future Acquisitions for Affordable Housing Delivery – PART B

Closure of Meeting

With the business of the Overview and Scrutiny Commission concluded, the Chair declared the meeting closed at 8.23 pm

M L Ayling (Chair)

Agenda Item 5

Crawley Borough Council

Report to Overview and Scrutiny Commission

25 September 2023

Report to Cabinet

27 September 2023

2023/2024 Budget Monitoring - Quarter 1

Report of the Head of Corporate Finance, **FIN/633**

1. Purpose

- 1.1 The report sets out a summary of the Council's actual revenue and capital spending for the first Quarter to June 2023. 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:

- a) **Agree to note the projected outturn for the year 2023/2024 as summarised in this report.**
- b) **Approve a supplementary capital estimate of £70,000 required for data migration to the new Benefits Online and Document Management System this will be funded from the Welfare Reform Reserve. (para 8.7)**
- c) **Approve a supplementary capital estimate of £169,100 for the repair of the Pit Lift at the Hawth Theatre funded by £120,300 from the revenue programme maintenance budget and £48,800 from capital receipt. (para 8.8)**

The Cabinet is recommended to ask Full Council to:

- d) **Approve the addition to the Capital Programme of £1,052,466 for Disabled Facility Grants funded from the Better Care Fund. (para 8.4)**
- e) **Approve a supplementary capital estimate of £6,000,000 for HRA acquisitions of land or dwellings to be funded from 1-4-1 receipts of £2,400,000 and £3,600,000 of borrowing. (para 8.9)**
- f) **Approve the addition to the HRA Programme Maintenance budget of £6,792,086, this will be funded from SHDF Wave 2 Grant. (para 8.9)**

Agenda Item 5

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 monthly 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.
- 4.3 This report outlines the projected outturn for 2023/2024 as at the end of June 2023.

5. Budget Monitoring Variations

5.1 General Fund

The table below summarises the projected variances in the relevant Portfolio at Quarter 1.

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

	Variance Projected at Quarter 1	
	£'000's	
Cabinet	223	U
Community Engagement & Culture	1	U
Environment, Sustainability & Climate Change	92	U
Housing	2,005	U
Leisure & Wellbeing	170	U
Planning & Economic Development	95	U
Public Protection	21	U
Resources	278	U
TOTAL (SURPLUS)/DEFICIT	2,885	U
Investment Interest	(994)	F
ADJUSTED (SURPLUS)/DEFICIT	1,891	U

Agenda Item 5

Budgeted Transfer from Reserves	262
Total Forecast Transfer from Reserves	2,153

General Fund Balance 01/04/2023	6,000
Use of Reserve 23/24	(2,153)
Closing Balance	3,847

GF <u>Minimum</u> balance	3,000
----------------------------------	--------------

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

A pay award offer of £1,925 per spinal point has been made to unions on behalf of the main local government NJC workforce. The additional cost of this is projected to be £200k for the General Fund.

The current year includes a £400k budget for ongoing losses associated with the pandemic. This provision is not currently forecast to be utilised in full. There is therefore an underspend of £100k projected at this time.

5.1.2 Community Engagement & Culture

There are no significant variations to report this quarter.

5.1.3 Environment, Sustainability & Climate Change

Due to a lack of vacancies in the environmental health team, there is an unmet vacancy provision of £39,000.

There is a forecast overspend of £24,000 on Port Health income. This is due to the number of consignments, 136, coming through Gatwick Airport being lower than pre-pandemic. However, there has been some improvement versus last year, during Q1 22-23 there were 85 consignments.

5.1.4 Housing Services

Homelessness pressures continued to increase during quarter 1. A total of over 20,000 nights of temporary accommodation were paid for in Q1, this compares to only 13,417 during the same period in 2022/23. Despite an additional £1.4m being built into the budget for this year, there is a projected overspend of £1.9m.

The Chief Executive took an urgent decision to employ extra housing officers on 5th May 2023 (reported to Full Council 19th July 2023) resulting in a revenue supplementary estimate of £200,000. The current projection is £111,000. New Burdens Funding from the government has still not been confirmed.

Agenda Item 5

5.1.5 Leisure & Wellbeing

There have been several urgent works required for health and safety reasons to repair footpaths, walls and planters that were cracked or severely damaged costing £91,000 to date. The total forecast for the year is £175,000, leading to an anticipated overspend of £120,000.

Due to a lack of vacancies in the patch working teams, there is an unmet vacancy provision of £34,000.

5.1.6 Planning & Economic Development

Due to a lack of vacancies in the development management team, there is an unmet vacancy provision of £34,000.

Building Control is reporting an overspend of £50,000. Fee income has reduced due to water neutrality and changes to building regulations delaying residential schemes coming forward.

5.1.7 Public Protection

There have been vacancies with the Nuisance and Anti-Social Behaviour team which have been difficult to fill. There have now been some changes to the structure which have produced savings and recruitment has been successful. The total projected underspend is £66,000.

There is a forecast overspend of £87,000 due to reduced Licensing Income. This is largely due to expected private hire licence income where no new licences were awarded during the pandemic. To mitigate the impact of this on future years a proposal will be presented to licencing committee to implement in-year fee increase.

5.1.8 Resources

There is a vacancy in the Election team which is anticipated to be filled later in the financial year. The projected underspend is £21,000.

Specialist legal advice has been required outside the team's expertise, this includes employment advice, variations to contracts and parking orders. The projected overspend is £51,000.

5.1.9 Investment Income

Interest rates have increased sharply due to the Bank of England reacting to inflationary pressures and they are expected to rise further. The projected underspend is £994,000.

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. There have been no virements in this quarter.

Agenda Item 5

7. Council Housing (Crawley Homes) – Revenue

7.1 The table below provides details of the 2023/2024 HRA variances.

HOUSING REVENUE ACCOUNT

	Q1 Projected Variation £000's	
<u>Income</u>		
Rental Income	0	F
Other Income	(15)	F
Interest Received on balances	(1,021)	F
	(1,036)	F
<u>Expenditure</u>		
Employees	87	U
Repairs & Maintenance	2,422	U
Other running costs	190	U
Support services	0	F
	2,699	U
Net (Surplus) / Deficit	1,663	U

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

7.2 Interest

Interest rates have increased sharply due to the Bank of England reacting to inflationary pressures and they are expected to rise further. This is forecast to result in an underspend of £1,021,000.

7.3 Employees

A pay award offer of £1,925 per spinal point has been made to unions on behalf of the main local government NJC workforce. The additional cost of this is projected to be £100,000 for the HRA.

There have been several vacancies in the Housing Management team during Q1, whilst these are expected to be filled throughout the year this is expected to result in an underspend of £44,000.

The responsive repairs team is forecasting an overspend of £39,000 due to the need to recruit a temporary resource to cover a member of staff on maternity leave.

7.4 Repairs and Premises Costs

There is a forecast overspend of £2,400,000 on the repairs contract. There are two main reasons for this. Firstly, it was forecast during the budget setting process that the increasing cost of materials because of high inflation rates would slow in line with government forecasts for interest rates, but this has not happened, instead

Agenda Item 5

material costs continue to rise sharply and the number of repair jobs costing over £1,000 for both Mears and Wates continue to increase. Secondly, there has been a significant drive from the Council to reduce the number of outstanding jobs to try and avoid disrepair claims which has resulted in our contractors having to increase the amount of work they are subcontracting out to meet both work delivery and timescale targets.

There is an expected overspend on cyclical and planned works due to the cost of materials and labour continuing to remain high. The overspend is expected to be £22,000.

7.5 Other Running Costs

The Housing Ombudsman subscription has increased again to £5.75 per property compared to £4.60 last year and just £2.16 in 2021/22. This is expected to lead to an overspend of £40,000. The fee is now expected to remain at the higher rates. Therefore, future years budgets will need adjusting.

There is a forecast overspend of £120,000 on Council Tax which the HRA is required to pay on void properties. This is due to longer void periods.

8. Capital

8.1 The table below shows the 2023/24 projected capital outturn and proposed carry forward into 2024/25. Further details on the Capital Programme are provided in Appendix 2 to this report.

	Latest Budget 2023/24	Spend to Q1 2023/24	Estimated Outturn 2023/24	(Under)/over spend	Re-profiled to/(from) future years
	£000's	£000's	£000's	£000's	£000's
Joint Responsibility	3,694	198	2,915	0	779
Cabinet	333	45	333	0	0
Environmental Services, Sustainability & Climate Change	3,546	148	3,507	0	39
Housing Services	10,651	391	4,799	(415)	5,437
Planning & Economic Development	14,064	417	8,566	0	5,498
Resources	2,362	75	1,012	0	1,350
Leisure and Wellbeing	1,541	483	1,457	0	84
Total General Fund	36,191	1,757	22,589	(415)	13,187

Agenda Item 5

Council Housing	40,385	3,770	25,506	0	14,879
Total Capital	76,576	5,528	48,095	(415)	28,066

8.2 The Temporary Accommodation Acquisitions budget part of the general fund capital budget is slipping £5,437,208 into 2024/25. The purchase of a property at Ifield Road will soon be completing. The service continues to proactively look for suitable temporary accommodation to purchase, with several potential properties being reviewed. The feasibility of any future acquisitions will need to take into consideration the impact of any borrowing cost.

8.3 The enabling scheme at Longley has now been removed from the capital programme as the scheme could not be delivered by the Housing Association that the Council was working with, this has resulted in a £415,000 saving in 2023/24.

8.4 The Disabled Facilities Grant budget has been increased by £1,052,466 funded from the Better Care Fund.

Recommendation 2.2(d): Approve the addition to the Capital Programme of £1,052,466 funded from the Better Care Fund.

8.5 The Innovation Centre programme is delayed getting on site and will slip £1,365,611 into 2024/25. It was expected to be on site in July but this has been delayed to October. It is hoped to make up time through some early enabling works under the Professional Services Agreement with Morgan Sindall.

8.6 The Gigabit project is progressing and has slipped £1,350,000 into 2024/25, payment is only due when 90% of the CityFibre rollout is complete.

8.7 The Benefits Online and Document Management System was omitted from the budget for 2023/24 in error. The Leader of the Council approved an initial £210,000 capital budget under delegated authority on the 28th April 2023 on the grounds of urgency. Delay would have caused significant risk to the project as the approved framework for the procurement would have expired. As part of the implementation of the project the data held in the Council's current system will be migrated into the new system. It is, therefore, necessary to add an additional £70,000 to the capital budget to ensure that the full budget is in place.

Recommendation 2.2(b): Approve a supplementary capital estimate of £70,000 required for data migration to the new Benefits Online and Document Management System this will be funded from the Welfare Reform Reserve.

8.8 The Pit Lift at the Hawth Theatre is now starting to fail and is unlikely to last another 12 months. There is a window of opportunity to have the works completed in January 2024 with no shows being booked in during that time. It is recommended that £169,100 be added to the capital programme and be funded by £120,300 from the revenue programme maintenance budget and £48,800 from capital receipts.

Recommendation 2.2(c): Approve a supplementary capital estimate of £169,100 for the repair of the Pit Lift at the Hawth Theatre funded by £120,300 from the revenue programme maintenance budget and £48,800 from capital receipt.

Agenda Item 5

8.9 Housing (Crawley Homes HRA)

HRA Programme Maintenance

Crawley Borough Council has been offered £6,792,086 of grant funding from the Social Housing Decarbonisation Fund Wave 2.1. (SHDF). To obtain this funding HRA must make a commitment of match funding. This has been achieved by reviewing the current budgets and re allocating. The table below shows how the original budget has not been increased other than the addition of the SHDF Wave 2 Grant.

Scheme Description	Budget 2023/24	Movement	Revised 2023/24 Budget	Budget 2024/25	Movement	Revised Budget
Decent Homes	5,429,076.07	1,000,000.00	6,429,076.07	6,500,000.00	(1,000,000.00)	5,500,000.00
Renovations	559,772.11	(50,000.00)	509,772.11	650,000.00		650,000.00
Insulation	3,819,890.22	(2,500,000.00)	1,319,890.22	1,800,000.00	(1,000,000.00)	800,000.00
Renewable Technology/Carbon Efficiency	409,061.97	(150,000.00)	259,061.97	250,000.00		250,000.00
Compliancy Works	2,584,575.64	(1,400,000.00)	1,184,575.64	1,450,000.00	(600,000.00)	850,000.00
Boilers & Heating	1,105,222.36		1,105,222.36	1,200,000.00	(500,000.00)	700,000.00
Electrical Test & Inspection	762,231.98		762,231.98	800,000.00		800,000.00
Adaptations For the Disabled	2,056,966.86	(1,000,000.00)	1,056,966.86	1,300,000.00	(800,000.00)	500,000.00
Hostels	280,024.19		280,024.19	100,000.00		100,000.00
TOTAL HRA IMPROVEMENTS	17,006,821.40	(4,100,000.00)	12,906,821.40	14,050,000.00	(3,900,000.00)	10,150,000.00
Carey House		50,000.00	50,000.00			
Fairlawn House	207,134.00		207,134.00			
Milton Mount Major Works	30,738.98	400,000.00	430,738.98			
Wave 2 Match Funding		3,650,000.00	3,650,000.00		3,900,000.00	3,900,000.00
ORIGINAL BUDGET	17,244,694.38	0.00	17,244,694.38	14,050,000.00	0.00	14,050,000.00
Additional Wave 2 Grant		2,716,834.00	2,716,834.00		4,075,252.00	4,075,252.00
REVISED BUDGET		2,716,834.00	19,61,528.38		4,075,252.00	18,125,252.00

Recommendation 2.2(e): Approve the addition to the HRA Programme Maintenance budget of £6,792,086, this will be funded from SHDF Wave 2 Grant

Acquisition of Land or Dwellings

The Acquisition of Land or Dwellings budget has slipped £4,857,333 forward into 2024/25. It is recommended that this budget is increased by £6,000,000 to enable the Council to pursue an acquisition opportunity that is currently available on the market, once approved through the appropriate delegation, the necessary budget will be allocated to the new scheme.

Recommendation 2.2(f): Approve a supplementary capital estimate of £6,000,000 to be funded from 1-4-1 receipts of £2,400,000 and £3,600,000 of borrowing.

Forge Wood Phase 4b

Forge Wood Phase 4b has slipped £4,034,750 into 2024/25, a technical redesign is underway due to recent changes in Building Regulations. The scheme had previously been delayed due to the planning permission being caught up in water neutrality.

Agenda Item 5

Breezehurst Phase 2

Breezehurst Phase 2 has slipped £4,653,250 into 2024/25 due to planning permissions being caught up in water neutrality, and new requirements needed to make the scheme compliant. These implications are currently being worked through.

- 8.10 From the 1st April 2021 the reporting of the use of Right to Buy 1-4-1 receipts to the Department for Levelling Up, Housing & Communities (DHLUC) 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.
- 8.11 Within the first quarter of 2023/24 **three** Council Houses with a sale value of £608,400 compared to eighteen in the first 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. For 2023/24 the amount paid over to the Government can be retained by the Council to give more flexibility to the 1-4-1 scheme. 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. Treasury Management

- 9.1 The Head of Corporate Finance reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance is demonstrated in Appendix 3 below.

10. Background Papers

[Budget Strategy Mid-Year Review 2022 - FIN/596](#)
[2023/2024 Budget and Council Tax - FIN/606](#)
[Treasury Management Strategy 2023/2024 - FIN/608](#)
[Treasury Management Outturn 2022-2023 - FIN/624](#)
[Financial Outturn 2022/2023: Budget Monitoring - FIN/623](#)

Contact Officer: - Vicki Basley, Chief Accountant.

Direct Line: - 01293 438693

Agenda Item 5

Appendix 1 (i)

REVENUE MONITORING SUMMARY 2023/24 GENERAL FUND

	Latest Budget £000's	Projected Outturn £000's	Variance £000's
Cabinet	(3,972)	(3,749)	223
Community Engagement & Culture	1,976	1,977	1
Environment, Sustainability & Climate Change	5,010	5,102	92
Housing	4,533	6,538	2,005
Leisure & Wellbeing	9,042	9,212	170
Planning & Economic Development	2,039	2,134	95
Public Protection	894	915	21
Resources	(91)	187	278
	19,431	22,316	2,885
Depreciation	(3,729)	(3,729)	0
Renewals Fund	450	450	0
NET COST OF SERVICES	16,152	19,037	2,885
Investment Interest	(1,607)	(2,601)	(994)
MRP	778	778	0
Council Tax	(8,221)	(8,221)	0
RSG	(223)	(223)	0
NNDR	(5,661)	(5,661)	0
New Homes Bonus	(275)	(275)	0
Service Grant	(142)	(142)	0
5% Funding Guarantee	(539)	(539)	0
Net contribution from / (-to) Reserves	262	2,153	1,891

Agenda Item 5

Main Variations identified for 2023/24 - General Fund Appendix 1 (ii)

	Q1 Variation £000's
Cabinet	
Pay Award (£1,925 Per Scale)	280
Covid Lost Income	(100)
Minor Variations	43
	223
Community Engagement & Culture	
Minor Variations	1
	1
Environment, Sustainability & Climate Change	
Environmental Health Team Vacancy Provision	39
Port Health Income	24
Minor Variations	29
	92
Housing	
Homelessness	1,919
Chagossian team - £200k Supplementary Budget	111
Minor Variations	(25)
	2,005
Leisure & Wellbeing	
Path/Bridge Maintenance	120
Patch Working Vacancy Provision	34
Minor Variations	16
	170
Planning & Economic Development	
Development Management Vacancy Provision	34
Building Control - Water Neutrality & Building Regulations	50
Minor Variations	11
	95
Public Protection	
NASB Team Vacancies	(66)
Licencing Income	87
Minor Variations	0
	21
Resources	
Elections	(21)
External Legal Advice	51
Town Hall Business Rates	248
Minor Variations	0
	278
Sub Total	2,885
Investment Interest	(994)
Total Overspend	1,891

Agenda Item 5

Appendix 1 (iii)

QUARTER 1

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate £'000s	Projected Outturn £'000s	Variation £'000s
Income			
Rental Income	(51,503)	(51,503)	0
Other Income	(1,927)	(1,942)	(15)
Interest received on balances	(315)	(1,336)	(1,021)
Total income	(53,745)	(54,781)	(1,036)
Expenditure			
Employees	4,537	4,624	87
Repairs & Maintenance	14,775	17,197	2,422
Other running costs	2,449	2,639	190
Support services	3,096	3,096	0
	24,857	27,456	2,699
Net (Surplus) / Deficit	(28,888)	(27,225)	1,663
Use of Reserves:			
Debt Interest Payments	8,042	8,042	0
Depreciation, Revaluation & Impairment	8,131	8,131	0
Additional Transfer to/(from) Housing Reserve	12,715	11,052	(1,663)
Total	28,888	27,225	(1,663)

Agenda Item 5

Appendix 1 (iv)

Main Variations Identified - Housing Revenue Account

	Q1 Variation £'000s
Income	
Interest	(1,021)
Minor Variations	(15)
	(1,036)
Employees	
Pay award costs	100
Vacancies in the Housing Management Team	(44)
Maternity Cover	39
Minor Variations	(8)
	87
Repairs & Premises Costs	
Repairs Contract Overspend	2,400
Cyclical and Planned Servicing	22
	2,422
Other Running Costs	
Housing Ombudsman	40
Council Tax on void properties	120
Minor Variations	30
	190
TOTAL VARIANCES	1,663

2023/24 Qtr. 1 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 2023/24	Spend to Date	Projected Outturn	(Under)/ Over Spend	Slippage	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
	£	£	£	£	£	£	£	£	£
New Town Hall Complex	1,735,000	194,950	1,735,000			100,000			
Old Town Hall Site Redevelopment	750,000		750,000						
New Town Hall Redevelopment - Joint responsibility	2,485,000	194,950	2,485,000	0	0	100,000	0	0	0
Town Centre Fund	355,000				355,000	355,000			
Project Jupiter	693,538	3,109	270,000		423,538	423,538			
ASK Renovations	160,000		160,000						
Joint responsibility	3,693,538	198,059	2,915,000	0	778,538	878,538	0	0	0
Garages	332,613	44,978	332,613			338,897	300,000		
CABINET PORTFOLIO	332,613	44,978	332,613	0	0	338,897	300,000	0	0

Environmental Services, Sustainability & Climate Change									
Muslim Burial Ground Cemetery	69,514	3,753	30,000		39,514	39,514			
District Heat Network Phase 2	186,651	22,980	186,651						
Flooding Emergency Works	84,976	4,750	84,976						
Tilgate Lake Bank Erosion	145,944	117,100	145,944						
Waste Vehicles 2023	3,000,000		3,000,000						
Climate Change Initiative	59,128		59,128						
TOTAL ENVIRONMENTAL SERVICES, SUSTAINABILITY & CLIMATE CHANGE PORTFOLIO	3,546,213	148,583	3,506,699	0	39,514	39,514	0	0	0

Housing Enabling (General Fund)									
---------------------------------	--	--	--	--	--	--	--	--	--

Scheme Description	Budget 2023/24	Spend to Date	Projected Outturn	(Under) / Over Spend	Slippage
	£	£	£	£	£
Temp Accommodation Acquisitions	8,937,208	4,700	3,500,000		5,437,208
Longley House	415,000			(415,000)	
Disabled Facilities Grants	1,280,306	381,756	1,280,306		
Improvement/Repair Loans	18,552	4,764	18,552		
TOTAL HOUSING (GENERAL FUND) PORTFOLIO	10,651,066	391,220	4,798,858	(415,000)	5,437,208

Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
£	£	£	£
5,437,208			
5,437,208	0	0	0

Planning and Economic Development					
Crawley Fusion Innovation Centre	3,498,151	61,208	2,132,539		1,365,611
<u>Crawley Growth Programme</u>					
Queensway	103,513	165	3,513		100,000
Town Centre Signage and Wayfinding	9,532		9,532		
Town Centre General	71,100				71,100
Manor Royal Cycle Improvements	1,775,935		1,775,935		
Town Centre Western Boulevard (cycle improvements)	819,524	5,613	50,000		769,524
Manor Royal Super Hub	263,028				263,028
Station Gateway	66,500	6,115	97,866		(31,366)
Town Centre Super Hub					
Town Centre Commercial Space Development	1,035,000	8,250	100,000		935,000
Three Bridges Station	160,000	10,161	118,528		41,472
Total Crawley Growth Programme	4,304,132	30,304	2,155,374	0	2,148,758
Towns Fund					
Manor Royal Business Environment Improvement Programme	664,940	125,000	500,000		164,940
Green Business Infrastructure Grants Pillar 1	510,000		510,000		
Green Business Infrastructure Grants Pillar 2	690,233	2,306	540,233		150,000

2,225,321			
100,000			
71,100			
794,824			
263,028			
570,000	4,390,000	1,836,008	
	74,231		
935,000	4,901,847		
300,000	850,000	118,865	
3,033,952	10,216,078	1,954,873	0
664,940	150,000		
320,000	170,000		
450,000			

Scheme Description	Budget 2023/24	Spend to Date	Projected Outturn	(Under) / Over Spend	Slippage
	£	£	£	£	£
Manor Royal Gigabit	106,505	15,925	106,505		
Crawley Homes Green Retrofitting	1,087,952	182,036	1,120,882		(32,930)
Invest in skills for Crawley Borough Council	3,202,431		1,500,000		1,702,431
TOTAL PLANNING & ECONOMIC DEVELOPMENT PORTFOLIO	14,064,344	416,779	8,565,533	0	5,498,810
Resources					
Gigabit	1,350,000				1,350,000
ICT Capital - Future Projects	105,400		105,400		
New Website And Intranet	52,406		52,406		
ICT Transformation Future	25,000		25,000		
ICT Cloud	296,374	20,345	296,374		
Income Management System	12,781		12,781		
Sharepoint	27,472	500	27,472		
Agile Working	121,328		121,328		
Channel Shift	61,000		61,000		
Benefits Online and Document Management System	210,000		210,000		
Hardware Renewals	100,000	54,091	100,000		
TOTAL RESOURCES PORTFOLIO	2,361,761	74,936	1,011,761	0	1,350,000

Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
£	£	£	£
1,200,000	630,000		
1,199,170	1,232,100		
1,337,431	1,550,000		
10,430,814	13,948,178	1,954,873	0
1,350,000			
1,350,000	0	0	0

Leisure and Wellbeing					
Vehicle Replacement Programme	225,303	140,906	188,306		36,997
Refurb Playgrounds Future Schemes	239,360		239,360		
Skate Park Equipment	46,000				46,000
Memorial Gardens Improvements	33,400		33,400		
Tilgate Park	4,769		4,769		
Nature & Wildlife Centre	10,565		10,565		

36,997			
46,000			

Scheme Description	Budget 2023/24	Spend to Date	Projected Outturn	(Under) / Over Spend	Slippage
	£	£	£	£	£
Allotments	67,095		67,095		
Adventure Playgrounds	308,402	182,795	308,402		
Memorial Gardens Play Improvements	16,933		16,933		
Meadowlands	71,565		71,565		
Southgate Playing Fields	44,584	43,568	44,584		
Perkstead Court Play Area Bewbush	22,115		22,115		
Park Tennis	39,421	34,649	39,421		
Halley Close Play	16,610		16,610		
Curteys Walk Play	15,905		15,905		
Brideake Play	18,812		18,812		
Wakehams Play	53,590	19	53,590		
Duffin Road Play	19,818		19,818		
Brookness Close Play	19,818		19,818		
Mountain Crescent Play	16,610		16,610		
K2 Crawley Replacement Chiller	155,000	2,876	155,000		
Broadfield 3G Lighting	223		223		
Changing Places	50,175	38,156	50,175		
K2 Crawley 3G Pitch Lighting	45,000	40,211	45,000		
TOTAL LEISURE AND WELLBEING PORTFOLIO	1,541,073	483,180	1,458,076	0	82,997

TOTAL GENERAL FUND	36,190,608	1,757,735	22,588,540	(415,000)	13,187,067
---------------------------	-------------------	------------------	-------------------	------------------	-------------------

Housing - HRA (Crawley Homes)					
Improvements -					
Decent Homes	5,429,076	1,418,105	6,429,076		(1,000,000)
Renovations	559,772	107,680	509,772		50,000
Insulation	3,819,890	452,486	1,319,890		2,500,000

Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
£	£	£	£
82,997	0	0	0

18,557,968	14,248,178	1,954,873	0
-------------------	-------------------	------------------	----------

5,500,000	6,500,000		
650,000	650,000		
800,000	1,200,000		

Scheme Description	Budget 2023/24	Spend to Date	Projected Outturn	(Under) / Over Spend	Slippage
	£	£	£	£	£
Renewable Technology/Carbon Efficiency	409,062	118,887	259,062		150,000
Compliancy Works	2,584,576	156,441	1,184,576		1,400,000
Boilers & Heating	1,105,222	145,578	1,105,222		
Electrical Test & Inspection	762,232	108,028	762,232		
SHDF CBC Match Funding		2,500	3,650,000		(3,650,000)
Adaptations For The Disabled	2,056,967	293,620	1,056,967		1,000,000
Hostels	280,024		280,024		
TOTAL HRA IMPROVEMENTS	17,006,821	2,803,325	16,556,821	0	450,000

Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
£	£	£	£
250,000	250,000		
850,000	1,450,000		
700,000	1,500,000		
800,000	850,000		
3,900,000			
500,000	1,300,000		
100,000	100,000		
14,050,000	13,800,000	0	0

Other HRA (Crawley Homes)					
HRA Database	53,051		53,051		
Acquisition Of Land Or Dwellings	11,857,333	561,616	7,000,000		4,857,333
Forge Wood	12,413	11,860	12,413		
Telford Place Development	234,179	23,877	207,093		27,086
Forge Wood Phase 2	73,785		73,785		
Forge Wood Phase 4	4,034,751				4,034,751
5 Perryfields	188,053	6,297	18,286		169,767
Carey House	91,752	120,189	141,752		(50,000)
Fairlawn House	207,134	3,009	207,134		
Milton Mount Major Works	30,739	112,056	430,739		(400,000)
Breezehurst Phase 2	4,703,250		50,000		4,653,250
Orchards Hostel					
Water Neutrality	448,876	58,097	448,876		
Contingencies	1,137,311				1,137,311
Prelims	245,949	45,963	245,949		
Lifeline Digital Switchover	60,000	23,402	60,000		
TOTAL OTHER HRA	23,378,576	966,366	8,949,078	0	14,429,498

4,857,333			
1,235,389	1,128,115		743,013
1,150,000	10,020,000	9,196,057	
4,034,751	4,094,236	4,304,895	
281,061	293,824		
1,500,000	5,000,000	7,000,000	1,171,001
	338,485		
500,000			
	1,359,502		
60,000			
13,618,534	22,234,162	20,500,952	1,914,014

Scheme Description	Budget 2023/24	Spend to Date	Projected Outturn	(Under)/Over Spend	Slippage
	£	£	£	£	£
TOTAL HRA	40,385,397	3,769,691	25,505,899	0	14,879,498

TOTAL CAPITAL PROGRAMME	76,576,005	5,527,426	48,094,439	(415,000)	28,066,565
--------------------------------	-------------------	------------------	-------------------	------------------	-------------------

Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years
£	£	£	£
27,668,534	36,034,162	20,500,952	1,914,014

46,226,502	50,282,340	22,455,825	1,914,014
-------------------	-------------------	-------------------	------------------

FUNDED BY

Capital Receipts	(8,819,369)	(7,475)	(6,808,169)		(2,011,200)
Capital Reserve	(1,946,569)	(3,109)	(1,523,031)		(423,538)
Better Care Fund (formally DFGs)	(1,280,306)	(381,756)	(1,280,306)		
External Funding	(12,714,187)	(477,915)	(7,503,094)		(5,211,093)
HRA Revenue Contribution	(26,358,503)	(3,994,338)	(19,802,373)		(6,556,130)
Replacement Fund/Revenue Financing	(4,593,243)	(359,950)	(4,743,246)		150,003
Section 106	(1,189,223)	(78,236)	(520,193)	415,000	(254,030)
4-1	(7,998,605)	(224,647)	(2,589,635)		(5,408,969)
Borrowing	(11,676,000)		(3,324,392)		(8,351,608)
TOTAL FUNDING	(76,576,005)	(5,527,426)	(48,094,439)	415,000	(28,066,565)

(2,885,021)	(4,191,525)	(266,927)	
(423,538)			
(9,159,277)	(9,691,887)	(1,578,634)	
(19,833,609)	(27,937,221)	(12,300,571)	(1,148,409)
(2,341,827)	(300,000)		
(254,030)	(64,766)	(109,312)	
(2,977,592)	(8,096,941)	(8,200,381)	(765,606)
(8,351,608)			
(46,226,502)	(50,282,340)	(22,455,825)	(1,914,015)

Agenda Item 5

Appendix 3

Treasury Management and Prudential Code Compliance

Estimate of CFR £'000	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Capital Financing Requirement			
CFR – General Fund	17,478	21,847	20,778
CFR - HRA	240,410	230,325	217,325
CFR – Non-financial investments	0	0	0
Total CFR	257,888	252,172	238,103
Movement in CFR	(9,466)	(5,716)	(14,069)

Movement in CFR represented by			
Net financing need for the year (above)	3,324	8,352	0
IFRS 16 leases			
Less MRP/VRP and other financing movements - GF	(790)	(1,068)	(1,069)
Less MRP/VRP and other financing movements - HRA	(12,000)	(13,000)	(13,000)
Movement in CFR	(9,466)	(5,716)	(14,069)

Liability benchmark £'000	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
Total CFR	257,888	252,172	238,103
Less: Balance sheet resources	(82,082)	(58,136)	(36,017)
Working capital	(25,000)	(20,000)	(20,000)
Net loans requirement	150,806	174,036	182,086
Plus: Liquidity allowance	10,000	10,000	10,000
Liability benchmark	160,806	184,036	192,086

Gross debt and the CFR £'000	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
External Debt			
Debt at 1 April	249,325	237,325	224,325
Expected change in Debt	(12,000)	(13,000)	(13,000)
Other long-term liabilities (OLTL)	0	0	0
Expected change in OLTL	0	0	0
Actual gross debt at 31 March	237,325	224,325	211,325

Agenda Item 5

The Capital Financing Requirement	257,888	252,172	238,103
(Under) / over borrowing	(20,563)	(27,847)	(26,778)

Operational boundary £'000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt	249,325	237,325	224,325
Other long term liabilities	31	19	13
Total	249,356	237,344	224,338

Authorised limit £'000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt	269,325	257,325	244,325
Other long term liabilities	31	19	13
Total	269,356	257,344	244,338

Financing costs as a proportion of net revenue stream	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
HRA	12.73%	11.37%	11.68%
GF	(12.41)%	(6.43)%	(1.01)%

Net income from commercial and service investments as a proportion of net revenue stream	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Commercial and service investments	25.46%	24.19%	22.98%

This page is intentionally left blank

Agenda Item 6

THE “EXECUTIVE” FUNCTION (THE LEADER AND THE CABINET)

Cabinet Member for Housing

Service Area Responsibilities: They will carry out responsibilities with regards to the following service areas:

- a) Crawley Homes.
- b) Strategic Housing (including statutory functions such as homelessness and houses in multiple occupation but excluding private sector housing regulation).
- c) Disabled Facility Grants.
- d) Council tax reduction and housing benefit.
- e) Council Owned Garages (Crawley Homes).
- f) Housing Revenue Account.
- g) Stock decarbonisation and energy efficiencies.

Policy and Strategy Responsibilities: They will oversee, and where applicable, approve the development of plans, statutory notices and policies within the above service areas, ensuring appropriate consultation occurs on all such proposals, including:

- a) Housing Strategy.
- b) Allocations Policy.
- c) To work jointly with the Cabinet Member for Planning and Economic Development to meet the housing needs of the Borough.
- d) Liaising and joint working with Social Services and health (housing).
- e) To work collectively with the Cabinet Member for Environmental Services and Sustainability, the Cabinet Member for Planning and Economic Development and the Cabinet Member for Resources (via joint Briefing meetings) in relation to the Town Hall site redevelopment.

Specific Delegations: They hold, but are not limited to, the following specific delegations:

- a) Power to vary the rent of dwellings and garages held on the Housing Revenue Account.
- b) The approval of variations to the affordable housing requirements specified in Core Strategy Policy H5 for any housing scheme where it has been evidenced that scheme viability cannot support meeting these requirements in full, or where changes in housing needs or housing policy may justify any variation to the percentage and/or tenure mix being sought.
- c) To discharge the functions of the Council in relation to the appropriation of surplus land (excluding residential dwellings) from the Housing Revenue Account for a different use/purpose.
- d) Approval of amendments to the Crawley Homes Under-Occupation Incentive Policy.
- e) Responding to the Government’s Welfare Reform agenda (with the Leader).

Outside Bodies:

They are not specifically appointed to any outside bodies

NB. All Cabinet Members may be substitute for another Cabinet Member on any of the Cabinet appointed outside bodies

This page is intentionally left blank

Agenda Item 11

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

Document is Restricted

This page is intentionally left blank

Agenda Item 12

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

Document is Restricted

This page is intentionally left blank