

## Crawley Borough Council

### Cabinet

Agenda for the **Cabinet** which will be held in **Committee Room C - Town Hall**, on **Wednesday, 27 September 2023** at **7.00 pm**

Nightline Telephone No. 07881 500 227



**Chief Executive**

Membership:  
Councillors

M G Jones (Chair)	Leader of the Council
I T Irvine	Cabinet Member for Housing
Y Khan	Cabinet Member for Public Protection
C J Mullins	Cabinet Member for Leisure and Wellbeing
S Mullins	Cabinet Member for Community Engagement and Culture
A Nawaz	Deputy Leader of the Council & Cabinet Member for Planning and Economic Development
B Noyce	Cabinet Member for Environment, Sustainability and Climate Change
T Rana	Cabinet Member for Resources

Please contact Democratic Services if you have any queries regarding this agenda.  
[democratic.services@crawley.gov.uk](mailto:democratic.services@crawley.gov.uk)

Published 15 September 2023



01293 438000

[crawley.gov.uk](http://crawley.gov.uk)  
[democracy.crawley.gov.uk](http://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
<b>1. Apologies for Absence</b>	
<b>2. Disclosures of Interest</b>	
In accordance with the Council's Code of Conduct, councillors are reminded that it is a requirement to declare interests where appropriate.	
<b>3. Minutes</b>	5 - 8
To approve as a correct record the minutes of the Cabinet held on 6 September 2023.	
<b>4. Public Question Time</b>	
To answer any questions asked by the public which are relevant to the functions of the Cabinet.	
Public Question Time will be concluded by the Chair when all questions have been answered or on the expiry of a period of 15 minutes, whichever is the earlier.	
<b>5. Further Notice of Intention to Conduct Business in Private and Notifications of any Representations</b>	
The Monitoring Officer will report on any responses to representations received in relation to why item(s) 11 & 12: <i>Proposed Land Disposal of St Catherine's Hospice Site and Future Acquisitions for Affordable Housing Delivery</i> should not be held in Part B Business – (Closed to the Public).	
<b>6. Matters referred to the Cabinet and Report from the Chair of the Overview and Scrutiny Commission</b>	
To consider any matters referred to the Cabinet (whether by a scrutiny committee or by the Council) and those for reconsideration in accordance with the provisions contained in the Scrutiny Procedure Rules, the Budget Procedure Rules and the Policy Framework Procedure Rules set out in Part 4 of the Council's Constitution.	
<b>7. 2023/2024 Budget Monitoring - Quarter 1</b>	9 - 30
<i>The Leader's Portfolio</i>	
To consider report FIN/633 of the Head of Corporate Finance, which was referred to the meeting of the Overview and Scrutiny Commission on 25 September 2023.	

	<b>Pages</b>
<p><b>8. Shared Procurement Service: Joint Procurement Strategy 2024 - 2030</b></p> <p><i>The Leader's Portfolio</i></p> <p>To consider report FIN/629 of the Head of Corporate Finance.</p>	31 - 48
<p><b>9. Supplemental Agenda</b></p> <p>Any urgent item(s) complying with Section 100(B) of the Local Government Act 1972.</p>	
<p><b>10. Exempt Information – Exclusion of the Public (Subject to Agenda Item 5)</b></p> <p>The Committee is asked to consider passing the following resolution:- That under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraphs specified against the item.</p>	
<b>Part B Business - (Closed to the Public)</b>	
<p><b>11. Proposed Land Disposal of St Catherine's Hospice Site</b></p> <p><i>Housing Portfolio</i></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, which was referred to the meeting of the Overview and Scrutiny Commission on 25 September 2023.</p>	49 - 52
<p><b>12. Future Acquisitions for Affordable Housing Delivery</b></p> <p><i>Housing Portfolio</i></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, which was referred to the meeting of the Overview and Scrutiny Commission at its meeting on 25 September 2023.</p>	53 - 58

**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](mailto:democratic.services@crawley.gov.uk)**

This page is intentionally left blank

## Crawley Borough Council

### Minutes of Cabinet

Wednesday, 6 September 2023 at 7.00 pm

#### Councillors Present:

M G Jones (Chair)	Leader of the Council
I T Irvine	Cabinet Member for Housing
Y Khan	Cabinet Member for Public Protection
C J Mullins	Cabinet Member for Leisure and Wellbeing
S Mullins	Cabinet Member for Community Engagement and Culture
A Nawaz	Deputy Leader of the Council & Cabinet Member for Planning and Economic Development
B Noyce	Cabinet Member for Environment, Sustainability and Climate Change
T Rana	Cabinet Member for Resources

#### Also in Attendance:

Councillors	M L Ayling, B J Burgess and D Crow
-------------	------------------------------------

#### Officers Present:

Vicki Basley	Chief Accountant
Natalie Brahma-Pearl	Chief Executive
Georgina Bouette	Head of Community Services
Dan Carberry	Public Protection and Enforcement Manager
Siraj Choudhury	Head of Governance, People & Performance
Ian Duke	Deputy Chief Executive
Carolin Martlew	Head of Corporate Finance
Diana Maughan	Head of Strategic Housing
Chris Pedlow	Democracy & Data Manager
Nigel Sheehan	Head of Projects and Commercial Services

#### 1. Disclosures of Interest

No disclosures of interests were made.

## 2. Minutes

The minutes of the meetings of the Cabinet held on 28 June 2023 and 12 July 2023 were approved as a correct record and signed by the Leader.

## 3. Public Question Time

There were no questions from the public.

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

It was reported that no representations had been received in respect of agenda item 8: *Review of the Community Warden Service and Creation of Community Protection Team*.

## 5. Matters referred to the Cabinet and Report from the Chair of the Overview and Scrutiny Commission

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

## 6. Vote of Thanks To Natalie Brahma-Pearl - Chief Executive

The Leader of the Council asked that his and the Cabinet's thanks be recorded in respect of Natalie Brahma-Pearl (Chief Executive) for all her hard work and dedication to Crawley Brough Council and Crawley's residents during her time of employment in Crawley. Along with their best wishes as Natalie leaves to be the Portsmouth City Council later this month.

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

### RESOLVED

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

## 8. Review of the Community Warden Service and 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*

# Agenda Item 3

Cabinet (14)  
6 September 2023

*between the authority or a Minister of the Crown and employees of, or office holders under the authority.*

The Cabinet Member for Public Protection presented report HCS/064 of the Head of Community Services. The report sought to review a proposed restructure of the Community Warden Service, including the Straying Dogs provision.

Councillor Ayling presented the Overview and Scrutiny Commission's comments on the report OSC/313 to the Cabinet following consideration of the matter at its meeting on 4 September 2023.

Councillors Crow and Burgess were invited to speak on the item, and both commenting their general support of the proposals.

Cabinet Members, Councillors C Mullins, S Mullins and Jones all as part of the discussion on the report, emphasising their full support on the proposed changes.

## **RESOLVED**

That the Cabinet:

- a) approves Option 2 for the Community Warden Service, as set out in Section 6 of the report and to note the Community Protection Team – Proposed Service Model and Structure (Appendix A of report HCS/064)
- b) delegates authority to the Head of Community Services to conduct the necessary consultation arrangements, fulfil the changes and decisions on all human resources matters, subject to the appropriate guidelines and procedures, as set out in the Constitution.  
*(Generic Delegation 11 will be used to enact this recommendation)*
- c) delegates authority to the Head of Community Services to conduct a tender process and procurement exercise in accordance with the Council's Procurement Code, for the straying dogs service to be delivered by a specialist provider.  
*(Generic Delegation 3 will be used to enact this recommendation)*
- d) delegates authority to the Head of Community Services, in consultation with the relevant Cabinet Member and Head of Governance, People and Performance to approve the contract award of the straying dogs service following an appropriate procurement process.  
*(Generic Delegation 3 will be used to enact this recommendation)*
- e) delegates the negotiation, approval, and completion of all relevant legal documentation, following the awarding of the contract, to the relevant head of service, Head of Governance, People and Performance, and Head of Corporate Finance, in consultation with the appropriate Cabinet Member.  
*(Generic Delegations 2 & 3 will be used to enact this recommendation)*

# Agenda Item 3

Cabinet (15)  
6 September 2023

## **Reasons for the Recommendations**

The conclusion of the review is that the current service model is, in parts, no longer fit for purpose and is not designed to meet the increased level of demand for more complex enforcement activity.

Revising the role profiles and salary scale as recommended is critical to ensuring the Council can attract and retain staff with the required specialist skills, qualifications and experience to deliver a high performing and quality service.

The proposed revised Community Protection model (attached as Appendix A) will modernise the service in order to meet the identified demands namely, providing local residents with an enhanced enforcement response to anti-social behaviour, low level public-space crime and environmental crime.

The straying dogs service continues to face challenges related to the size, breeds and behaviour of dogs, and Crawley is facing a similar national trend of an increase in abandoned dogs, rather than lost pets. To successfully address this service requirement, the recommendation is to procure and enter into a contract with a specialist provider for the straying dog service to fulfil this function.

The recommendation is to refresh the Community Wardens Service including all associated functions, processes and procedures and relaunch it as the Community Protection Team which will deliver enhanced enviro-crime and ASB investigation and enforcement activity.

## **Closure of Meeting**

With the business of the Cabinet concluded, the Chair declared the meeting closed at 7.33 pm

**M G JONES**  
Chair



## 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 7

## 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
<b>TOTAL (SURPLUS)/DEFICIT</b>	<b>2,885</b>	<b>U</b>
Investment Interest	(994)	F
<b>ADJUSTED (SURPLUS)/DEFICIT</b>	<b>1,891</b>	<b>U</b>

# Agenda Item 7

<b>Budgeted Transfer from Reserves</b>	<b>262</b>
Total Forecast Transfer from Reserves	2,153
General Fund Balance 01/04/2023	6,000
Use of Reserve 23/24	(2,153)
<b>Closing Balance</b>	<b>3,847</b>
<b>GF <u>Minimum</u> balance</b>	<b>3,000</b>

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 5<sup>th</sup> May 2023 (reported to Full Council 19<sup>th</sup> 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 7

## 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 7

## 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
	<b>(1,036)</b>	F
<u>Expenditure</u>		
Employees	87	U
Repairs & Maintenance	2,422	U
Other running costs	190	U
Support services	0	F
	<b>2,699</b>	U
Net (Surplus) / Deficit	<b>1,663</b>	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 7

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
<b>Total General Fund</b>	<b>36,191</b>	<b>1,757</b>	<b>22,589</b>	<b>(415)</b>	<b>13,187</b>

# Agenda Item 7

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 28<sup>th</sup> 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 7

## 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
<b>TOTAL HRA IMPROVEMENTS</b>	<b>17,006,821.40</b>	<b>(4,100,000.00)</b>	<b>12,906,821.40</b>	<b>14,050,000.00</b>	<b>(3,900,000.00)</b>	<b>10,150,000.00</b>
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			
<b>Wave 2 Match Funding</b>		<b>3,650,000.00</b>	<b>3,650,000.00</b>		<b>3,900,000.00</b>	<b>3,900,000.00</b>
<b>ORIGINAL BUDGET</b>	<b>17,244,694.38</b>	<b>0.00</b>	<b>17,244,694.38</b>	<b>14,050,000.00</b>	<b>0.00</b>	<b>14,050,000.00</b>
Additional Wave 2 Grant		2,716,834.00	2,716,834.00		4,075,252.00	4,075,252.00
<b>REVISED BUDGET</b>		<b>2,716,834.00</b>	<b>19,61,528.38</b>		<b>4,075,252.00</b>	<b>18,125,252.00</b>

**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 7

## 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 1<sup>st</sup> 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 7

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
<b>NET COST OF SERVICES</b>	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
<b>Net contribution from / (-to) Reserves</b>	<b>262</b>	<b>2,153</b>	<b>1,891</b>

# Agenda Item 7

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

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

# Agenda Item 7

Appendix 1 (iii)

## QUARTER 1

<b>HOUSING REVENUE ACCOUNT</b>			
<b>Expenditure Description</b>	<b>Latest Estimate</b> £'000s	<b>Projected Outturn</b> £'000s	<b>Variation</b> £'000s
<b>Income</b>			
Rental Income	(51,503)	(51,503)	0
Other Income	(1,927)	(1,942)	(15)
Interest received on balances	(315)	(1,336)	(1,021)
<b>Total income</b>	<b>(53,745)</b>	<b>(54,781)</b>	<b>(1,036)</b>
<b>Expenditure</b>			
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
	<b>24,857</b>	<b>27,456</b>	<b>2,699</b>
<b>Net (Surplus) / Deficit</b>	<b>(28,888)</b>	<b>(27,225)</b>	<b>1,663</b>
<b>Use of Reserves:</b>			
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)
<b>Total</b>	<b>28,888</b>	<b>27,225</b>	<b>(1,663)</b>

# Agenda Item 7

Appendix 1 (iv)

## Main Variations Identified - Housing Revenue Account

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

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						
<b>New Town Hall Redevelopment - Joint responsibility</b>	<b>2,485,000</b>	<b>194,950</b>	<b>2,485,000</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
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						
<b>Joint responsibility</b>	<b>3,693,538</b>	<b>198,059</b>	<b>2,915,000</b>	<b>0</b>	<b>778,538</b>	<b>878,538</b>	<b>0</b>	<b>0</b>	<b>0</b>
Garages	332,613	44,978	332,613			338,897	300,000		
<b>CABINET PORTFOLIO</b>	<b>332,613</b>	<b>44,978</b>	<b>332,613</b>	<b>0</b>	<b>0</b>	<b>338,897</b>	<b>300,000</b>	<b>0</b>	<b>0</b>

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						
<b>TOTAL ENVIRONMENTAL SERVICES, SUSTAINABILITY &amp; CLIMATE CHANGE PORTFOLIO</b>	<b>3,546,213</b>	<b>148,583</b>	<b>3,506,699</b>	<b>0</b>	<b>39,514</b>	<b>39,514</b>	<b>0</b>	<b>0</b>	<b>0</b>

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		
<b>TOTAL HOUSING (GENERAL FUND) PORTFOLIO</b>	<b>10,651,066</b>	<b>391,220</b>	<b>4,798,858</b>	<b>(415,000)</b>	<b>5,437,208</b>

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

<b>Planning and Economic Development</b>					
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
<b>Total Crawley Growth Programme</b>	<b>4,304,132</b>	<b>30,304</b>	<b>2,155,374</b>	<b>0</b>	<b>2,148,758</b>
<b>Towns Fund</b>					
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	
<b>3,033,952</b>	<b>10,216,078</b>	<b>1,954,873</b>	<b>0</b>
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
<b>TOTAL PLANNING &amp; ECONOMIC DEVELOPMENT PORTFOLIO</b>	<b>14,064,344</b>	<b>416,779</b>	<b>8,565,533</b>	<b>0</b>	<b>5,498,810</b>
<b>Resources</b>					
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		
<b>TOTAL RESOURCES PORTFOLIO</b>	<b>2,361,761</b>	<b>74,936</b>	<b>1,011,761</b>	<b>0</b>	<b>1,350,000</b>

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		
<b>10,430,814</b>	<b>13,948,178</b>	<b>1,954,873</b>	<b>0</b>
1,350,000			
<b>1,350,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Leisure and Wellbeing</b>					
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
	£	£	£	£	£
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		
<b>TOTAL HRA IMPROVEMENTS</b>	<b>17,006,821</b>	<b>2,803,325</b>	<b>16,556,821</b>	<b>0</b>	<b>450,000</b>

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		
<b>14,050,000</b>	<b>13,800,000</b>	<b>0</b>	<b>0</b>

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		
<b>TOTAL OTHER HRA</b>	<b>23,378,576</b>	<b>966,366</b>	<b>8,949,078</b>	<b>0</b>	<b>14,429,498</b>

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			
<b>13,618,534</b>	<b>22,234,162</b>	<b>20,500,952</b>	<b>1,914,014</b>

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

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

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

<b>46,226,502</b>	<b>50,282,340</b>	<b>22,455,825</b>	<b>1,914,014</b>
-------------------	-------------------	-------------------	------------------

#### 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)
<b>TOTAL FUNDING</b>	<b>(76,576,005)</b>	<b>(5,527,426)</b>	<b>(48,094,439)</b>	<b>415,000</b>	<b>(28,066,565)</b>

(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)			
<b>(46,226,502)</b>	<b>(50,282,340)</b>	<b>(22,455,825)</b>	<b>(1,914,015)</b>

# Agenda Item 7

Appendix 3

## Treasury Management and Prudential Code Compliance

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

<b>Movement in CFR represented by</b>			
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)
<b>Movement in CFR</b>	<b>(9,466)</b>	<b>(5,716)</b>	<b>(14,069)</b>

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

Gross debt and the CFR £'000	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
<b>External Debt</b>			
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
<b>Actual gross debt at 31 March</b>	<b>237,325</b>	<b>224,325</b>	<b>211,325</b>

# Agenda Item 7

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

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

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

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

<b>Net income from commercial and service investments as a proportion of net revenue stream</b>	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 8

## Crawley Borough Council

**Report to Cabinet**  
**27 September 2023**

### **Shared Procurement Service – Joint Procurement Strategy 2024-2030**

Report of the Head of Corporate Finance **FIN/629**

---

#### **1. Purpose**

- 1.1 The attached Joint Procurement Strategy 2024–2030 (Appendix A) sets out the approach to procurement for Crawley Borough Council and Horsham, Mid Sussex and Mole Valley District Councils, who form the Shared Procurement Service.
- 1.2 The Strategy details how the councils will use procurement to deliver the four councils' corporate policy objectives and comply with appropriate legislative requirements over the next six years.
- 1.3 The Strategy will be adopted concurrently across each of the four councils and this report seeks approval and adoption of the Strategy by Crawley Borough Council.

#### **2. Recommendation**

- 2.1. To the Cabinet:

The Cabinet is recommended to:

Approve and adopt the Shared Procurement Service Joint Procurement Strategy 2024–2030, attached as Appendix A.

#### **3. Reasons for the Recommendation**

- 3.1 The spend across the four councils is over £100m and is crucial to the way we deliver our core and discretionary services to our local communities. How the councils' source and deliver these services has a direct impact on the ways in which local people, communities and businesses judge the value that we provide and the quality of outcomes that we achieve.
- 3.2 The Joint Procurement Strategy establishes the Council's approach to buying these goods, works and services in a legally compliant and cost-effective way, whilst meeting sustainability and social value outcomes.

#### **4. Background**

- 4.1 The last Joint Procurement Strategy expired in 2016 and had been due to be updated in 2020 however this was put on hold due to Covid. Since then the procurement landscape

# Agenda Item 8

has changed significantly and Mole Valley District Council has joined the Shared Procurement Service.

- 4.2 The current economic climate is quite volatile and therefore it is felt that it would be prudent to put a procurement Strategy in place as soon as possible. Through the adoption of the Strategy we are aiming to effectively address issues caused by rising prices, struggling local and small businesses, increasing council savings targets and declared climate emergency.

## 5. Description of Issue to be Resolved

- 5.1. Through an effective procurement Strategy we can focus our limited resources and small team to improve commercial relationships with suppliers, upskill our supply chains, identify opportunities for savings and collaboration and introduce sustainability and social value outcomes, as well as ensuring compliance with procurement legislation.
- 5.2. The Government is looking to put a new Procurement Act into force in October 2024. The procurement Strategy will set the local objectives for the four councils, which will sit alongside the national legislation.
- 5.3. The Joint Procurement Strategy is aligned with the National Procurement Strategy 2022.

## 6. Information & Analysis Supporting Recommendation

- 6.1 Joint Procurement Strategy's vision for 2024–2030 is to help deliver the councils' strategic priorities through the management of the councils' c£100m pa spend through market engagement, procurement and effective contract and relationship management.
- 6.2 The Strategy sets out what the Shared Procurement Service is looking to achieve:
- Embed commercial, innovation and sustainable principles into our procurement processes;
  - Maintain sound governance, transparency, accountability and probity in our operational processes;
  - Ensure procurement processes are carried out in accordance with all relevant procurement legislation, government guidance and case law;
  - Work effectively with delivery partners including local business, voluntary and community groups to shape and inform our thinking and grow our local economy. We will engage with local and SME suppliers to ensure they are supported to be able to work with the councils;
  - Use digital technologies to improve processes, procedures, access to our services and engagement with local businesses;
  - Make the most of our people, further increasing their knowledge and skills on all aspects of procurement, contract and relationship management;
  - Ensure that we further develop our existing Procurement Team through training and professional development to ensure that we are in a position to implement latest procurement thought;
- 6.3 The Strategy sets out the key areas that the Shared Procurement Service will focus on:
1. Obtaining social value, sustainability and addressing the climate emergency – *aligns with the Council's Declared Climate Emergency, Social Value Charter and the Public Services (Social Value) Act 2012*



# Agenda Item 8

2. Prioritise local, regional and SME spend – *aligns with the National Procurement Policy Statement 2021 around stimulating local economy*
3. Making procurement accessible – *aims to assist officers and smaller suppliers to be able to do business with the council and remove bureaucracy wherever possible by 'levelling the playing field'*
4. Being commercial, innovative and adding value – *aligns with the councils' medium term financial strategies and legal duty under section 3 of Local Government Act 1999 to obtain 'best value'*
5. Strengthening contract and risk management -*aims to ensure that we obtain the best possible outcomes through active and agile contract and risk management; aligns with recommendations from Contract Management Audit*

## 7. Implications

- 7.1. There are no direct financial implications although it is possible that the implementation of the Strategy could result in savings achieved.
- 7.2. The Strategy is fully compliant with procurement legislation and the council's Procurement Code and has been written by the council's Procurement Manager.
- 7.3. There are no particular impacts on any specific protected groups and therefore an Equalities Impact Assessment is not required. The Strategy references duties under the Equality Act 2010 which need to be taken into consideration in any procurement process.
- 7.4. There are no direct environmental implications associated with the implementation of the Strategy. One of the Strategy aims is to ensure that sustainability and carbon reduction are incorporated into procurement decision making. The Strategy is aligned with the council's Crawley Borough Council 'One Town' Economic Recovery Plan 2022-2037 and the Social Value Charter.
- 7.5. The Strategy has taken several pieces of legislation into consideration such as the Local Government Transparency Code 2015 , Data Protection legislation and the Modern Slavery Act 2015, for example.

## 8. Background Papers

- *Shared Procurement Service – Joint Procurement Strategy 2024–2030*
- [Crawley Borough Council Procurement Code](#)

Report author and contact officer:

Officer name Becca Williams (Procurement Manager)  
Email address [becca.williams@crawley.gov.uk](mailto:becca.williams@crawley.gov.uk)  
Phone number 01403 215299

This page is intentionally left blank

**JOINT PROCUREMENT BOARD**

**JOINT PROCUREMENT STRATEGY  
2024 – 2030**

**CRAWLEY BOROUGH COUNCIL**

**HORSHAM DISTRICT COUNCIL**

**MID SUSSEX DISTRICT COUNCIL**

**MOLE VALLEY DISTRICT COUNCIL**

## About this strategy

### Our vision for procurement

We will help deliver the councils' strategic priorities through the management of the councils' £100m spend through market engagement, excellent procurement and effective contract and relationship management.

### Why we need this strategy

This joint procurement strategy sets out the strategic direction of the Shared Procurement Service during the period of 2024 to 2030. The service is a small, shared resource between Crawley Borough Council, Horsham District Council Mid Sussex District Council and Mole Valley District Council which provides professional procurement advice and leads on the letting of key corporate contracts.

The four councils spend around £100m per year to buy the goods, works and services we need to do our work. This spend is crucial to the way we deliver our core and discretionary services to our local communities and the outcomes achieved. How the councils' source and deliver these services has a direct impact on the ways in which local people, communities and businesses judge the value that we provide and the quality of outcomes that we achieve.

This strategy sets out our aspirations for the development of our service over the next six years, so that the Shared Procurement Service can:

- Contribute directly to the delivery of the councils' strategic policies and direction
- Enable measurable improvements to value for money outcomes that we achieve in our contracts, set against the context of large increases in the cost of living and volatile supply chains
- Drive social value, carbon reduction, sustainability, and use of local and SME suppliers
- Develop our skills to enable us to effectively support service areas to be able to respond to economic, financial and social challenges
- Maintain highest standards of accountability, probity and transparency and compliance with Procurement legislation and government guidance and policy

## Why procurement matters

The four councils' expenditure with third party suppliers and service providers was c£100m in 2022. This expenditure contributes directly to:

- **Councils' infrastructure** including council buildings, social housing, leisure centres, depots, community centres, pavilions, theatres, flood defences.
- **Environmental services** including street cleansing, waste collection and management, car parking.
- **Community services** including playgrounds, leisure facilities, rough sleeper accommodation, wellbeing, culture and tourism.
- **Parks and open spaces** including Tilgate Park, Beech Hurst Gardens, Horsham Park, grounds maintenance
- **Supporting equipment and services** including technology and equipment and materials to maintain our infrastructure.
- **Economic regeneration** including construction and design of future works, Crawley's Station Gateway, Transform Leatherhead and Burgess Hill Regeneration.

Contract failure or underperformance can negatively impact on our reputation, budgets and erode our ability to fulfil our commitments to local communities.

Equally we need to ensure that we manage our third-party expenditure effectively and in a fully transparent way to ensure that we:

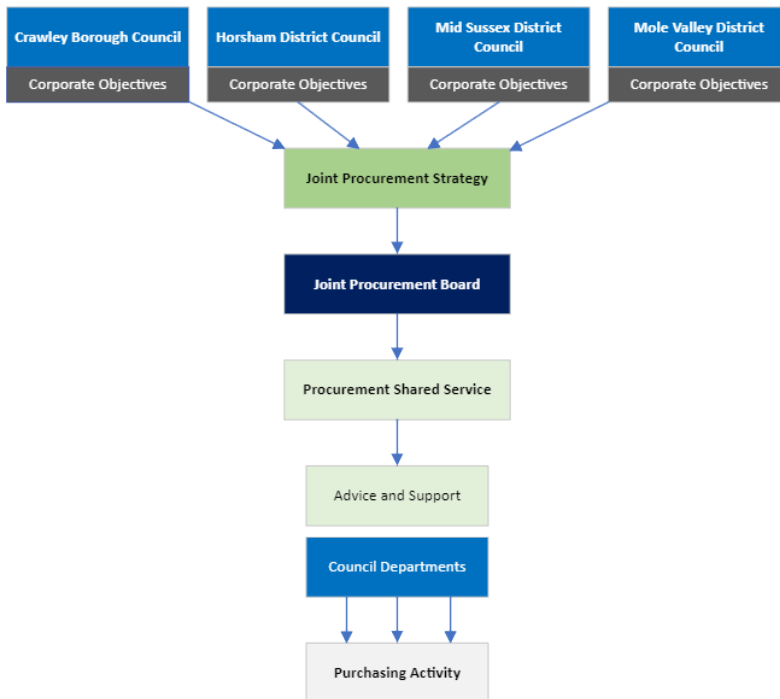
- attract the best possible suppliers whilst encouraging greater opportunities for SMEs and local businesses, VCOs and social enterprises, even as sub-contractors
- ensure the delivery of high-quality services and maintain high standards of contract performance
- stay on budget and deliver efficiency and added value in our contracts
- address the declared climate emergency and take sustainability and carbon reduction considerations into account, working in collaboration with our suppliers
- embrace innovation and opportunities to do things differently

## Ownership and scope

Councils that form the shared service manage strategic procurement through a Joint Procurement Board, consisting of the section 151 Officer from each council and the Shared Procurement Service Manager. The Joint Procurement Board is responsible for agreeing priorities and managing the workload of the Shared Procurement Service.

Procurement activity in the four councils is devolved with the appropriate Head of Service usually responsible for the delivery of new procurement projects. The Shared Procurement Service provides professional advice and support to departmental purchasing officers both directly and through guidance documents (available via council intranet sites) and monitor procurement activity across the councils through a joint work programme, spend analysis and through the councils' Contract Registers.

The diagram below illustrates the structure of the professional procurement support across the four councils:



The Joint Procurement Board is the strategy owner and the Shared Procurement Service's Manager will oversee the actions associated with ensuring its successful implementation.

This strategy has been formally approved by each council and sets the framework within which each council's rules and regulations apply. The strategy should be read in conjunction with each council's own procurement procedure rules (also known as the Procurement Code), contract standing orders and the procurement guidance hosted on the councils' intranet sites.

The strategy should be applied by all staff and members involved in a procurement process and applies to all acquisition of all third-party goods, works and services, regardless of whether they are through new / existing contracts or their funding source.

## Shared Procurement Service Purpose, Vision and Values

<b>Our Purpose</b>	<p>The purpose of the Shared Procurement Service is to provide a flexible, customer-focused, high quality and friendly service.</p> <p>We will support corporate priorities and strategy by utilising best practice in procurement, commercial thinking, with the aid of technology to achieve cost-effective, legally compliant decision-making which protects the environment and delivers social and economic benefits to our communities.</p>
<b>Our Vision</b>	<p>We will apply strategic thinking to our procurement processes to achieve the best possible solutions for the councils and the wider communities.</p>
<b>Our Values</b>	<p>We will:</p> <ul style="list-style-type: none"> <li>• be open minded, honest, friendly and accountable ensuring decisions that we make are fair and transparent</li> <li>• ensure we achieve value for money and best possible service delivery outcomes from compliant procurement activities</li> <li>• listen, respect and collaborate with service users and partners to maximise resources and shape future services</li> <li>• be innovative and aspirational in our vision for the future, for our organisations, local people and communities</li> </ul>

## Our strategy

### Our 2030 Procurement Vision

We will help deliver the councils' strategic priorities through the management of the councils' c£100m spend through market engagement, procurement and effective contract and relationship management.

### We will realise this vision by:

- Embedding commercial, innovation and sustainable principles into our procurement processes
- Maintaining sound governance, transparency, accountability and probity in our operational processes
- Ensuring procurement processes are carried out in accordance with all relevant procurement legislation, government guidance and case law
- Working effectively with delivery partners including local business, voluntary and community groups to shape and inform our thinking and grow our local economy. We will

engage with local and SME suppliers to ensure they are supported to be able to work with the councils.

- Using digital technologies to improve processes, procedures, access to our services and engagement with local businesses
- Making the most of our people, further increasing their knowledge and skills on all aspects of procurement, contract and relationship management.
- Ensuring that we further develop our existing Procurement Team through training and professional development to ensure we are in a position to implement latest procurement thought

**We will do this by delivering on the following objectives:**

- Obtaining social value, sustainability and addressing the climate emergency
- Prioritise local, regional and SME spend
- Making procurement accessible
- Being commercial, innovative and adding value
- Strengthening contract and risk management



## What we will focus on

### 1. Obtaining social value, sustainability and addressing the climate emergency

The way we spend our money and the organisations that we do business with is known to be a major contributor to the fulfilment of our local, ethical and sustainability priorities including local economic regeneration, protecting our environment and gaining more by the way of social value and community benefit (responsible procurement). We recognise that this cannot be achieved in isolation and are therefore keen to work in partnership to increase our impact.

The Shared Procurement Service will work with service areas to:

- Ensure that all new procurement activities consider responsible procurement criteria as part of their sourcing, selection and award processes and in contract management. Ensure that those procurement activities are aligned with the relevant council's Sustainable Procurement / Social Value Charter.
- Ensure that social value is understood and sought in appropriate contracts with outcomes successfully achieved and that outcomes are effectively and appropriately monitored and recorded
- Ensure that the councils' commitments to being carbon neutral – CBC (2040) HDC (council by 2030; district by 2050) MSDC (2040) MVDC (2030) – are considered in every procurement exercise.
- Reduce waste, improving resource efficiency and contributing to a more circular economy
- Identify and prioritise opportunities in sustainable procurement to deliver additional environmental benefits, for example enhanced biodiversity, through the delivery of the contract
- Ensure that new procurement activities incorporate the relevant council's living wage policy

### 2. Prioritise local, regional and SME spend

A thriving local economy is a key part of increasing prosperity and wealth creation and reducing inequalities. The National Procurement Policy Statement (2021) sets out national policy which we have used to develop our strategy.

As the Shared Procurement Service is based across West Sussex and Surrey, careful consideration needs to be given to 'local' procurement to ensure successful outcomes. The districts and boroughs share some borders which enables some joined up local engagement and each council's procurement rules reflect more local arrangements. This ensures that they align with the council's strategies and each borough's / district's demographics.

We would like to create more diverse supply chains to deliver the councils' contracts which will better support start-ups, Small and Medium Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs) in doing business on public sector contracts.

The Shared Procurement Service will work with service areas to:

- Increase the % of expenditure spent locally by engaging with local suppliers to provide them with development opportunities so that they have the right level of bidding capacity to participate in tendering activity for our contracts
- Engage with local suppliers to develop local sourcing opportunities to enable a positive impact on the local economy
- Ensure that there is sufficient time is built into tender processes, wherever possible, to allow SMEs sufficient time to galvanise their resources to be able to bid for the service
- Pay suppliers as quickly as possible to support their cash flow liquidity

The Shared Procurement Service will:

- Pro-actively promote the councils' SE Shared Services Portal with local businesses, assist with and encourage tender submissions from smaller local businesses
- Work with Economic Development and Regeneration colleagues to determine how a "one-stop shop" for advice could be developed and then roll it out across the four councils
- Make use of any appropriate and compliant "lotting" strategies wherever possible, to allow SMEs and / or VCSEs to compete for bidding opportunities and encouraging contract managers to allow sufficient time in the procurement process to form consortia
- Work with Finance and Legal colleagues to promote fair payment terms throughout the supply chain and embedding suitable and proportionate criteria within any qualification processes. Also ensuring suitable terms and conditions are contained in contractual agreements
- Facilitate relationships between SMEs / VCSEs and some larger providers, with assistance from the councils' Economic Development teams
- Offer appropriate assistance and advice with bid writing / advising on the procurement process, participating in market engagement events and specific bid events and ensuring our communication channels are easy to understand and accessible
- Gain knowledge and understanding of our local communities and internal services to help shape our future approaches and policies and target our resources accordingly
- Work with the councils' legal departments to embed local policies in the procurement codes
- Ring-fence certain opportunities for local / SME / VCSE organisations

### **3. Making procurement accessible**

Tendering and local government procurement can be complex, time-consuming, resource-intensive and difficult to understand, particularly at the more operational lower levels of spend. Therefore we would like to level the playing field for suppliers and officers to enable efficient and effective procurement is undertaken in the councils.

The Shared Procurement Service will:

- Simplify processes, templates and instructions to suppliers wherever possible
- Make procurement accessible to our internal customers and to the public through the simplification of procurement documents (templates, internet and intranet pages for example), wherever possible, and the use of plain English

- Provide our procurement advice in a jargon-free and straightforward manner
- Align, standardise and streamline procurement processes as much as possible for the four councils we work for, accepting the differences within those councils and ensuring compliance with all legislative requirements
- Explore digital technology solutions to assist us to make most efficient and effective use of procurement and wider council resources
- Operate a 'learning culture' whereby we will be open to new ways of working and taking opportunities to continuously improve. This will be through obtaining feedback from our customers and stakeholders and from continuous professional development (CPD)

## 4. Being commercial, innovative and adding value

The councils continue to face financial pressures along with all other organisations due to many factors including the impact of Covid-19, changing government priorities and significant increases in the cost of living.

The effective management of the councils' expenditure is a key contributor of this strategic goal. This is not about who controls budgets and authorises expenditure but the way we plan ahead, engage with, help to shape markets and manage our contracts effectively.

The Shared Procurement Service will:

- Analyse the councils' third-party expenditure and target opportunities to save money, maximise efficiency and economies of scale and help create a vibrant supply chain
- Link the work of the procurement team to the councils' Medium Term Financial Strategies – identifying areas for savings, efficiency and collaboration
- Maintain a commercial outlook when engaging with strategic suppliers throughout the local, regional and national markets to improve performance, reduce costs, mitigate risk and harness innovation
- Enable market engagement days to engage with the wider supply base and other councils as well as ensuring contract managers have good market knowledge and benchmarking skills
- Gather relevant market intelligence enabling us to improve services, budget forecasting, timetabling and planning procurements
- Aim to align key contracts with all four councils to maximise opportunities to enable collaboration
- Seek opportunities for collaboration with external stakeholders with the intention to identify potential service improvements and commercialisation opportunities and work with local partners to consider innovative commissioning models and design joint solutions or partnership agreements to drive savings and efficiency

The Shared Procurement Service will work with service areas to:

- Contribute to the development of scalable and future-proofed new methods to modernise delivery and increase productivity.
- Ensure that a costed insourcing option is considered for all key contracts

## 5. Strengthening contract and risk management

By managing contracts from the point of award to expiry, we are able to ensure that we get what we pay for, obtain any added value and that suppliers perform well and consistently during the entire contract period. By monitoring and managing risk effectively, the councils can aim to prevent contract failure and from incurring extra cost.

The Shared Procurement Service will:

- Identify and implement methods to improve awareness amongst service managers about the importance of contract and risk management so that it becomes further embedded in the council's processes and procedures; and that is considered an essential part of the council's day-to-day business.
- Keep our Contract Management guidance updated to reflect any recent developments and will ensure that service managers utilise the guidance, focusing on developing skills around effective cost control and performance management.
- Ensure that contract managers have access, where possible, to market intelligence about contracts, supply chain issues, markets and trends in key service areas and how to effectively investigate joint service needs.
- Use the councils' Contract Registers to assist in forward planning and ensure that service managers are aware of their responsibilities to complete them through regular communication.
- Continue to record the councils' key suppliers annually and we will look to extend the picture of suppliers to obtain a fuller view of high risk and / or key suppliers and their supply chains.
- Ensure that contract managers have good strategies to manage supplier relationships effectively. We recognise that engagement should be a two-way beneficial arrangement so we will encourage contract managers to share data with suppliers, when possible, to identify solutions in collaboration for service development.

The Shared Procurement Service will work with service areas to:

- Introduce conflicts of interest and risk registers in all tender processes to ensure that we are accurately capturing and reflecting risks including financial, economic, supply chain issues, etc.
- Build on our commitments under the Modern Slavery Act, including publication of annual statements, and will aim to identify areas / contracts which are vulnerable to modern slavery.

# Strategic Context

The procurement priorities of this strategy are aligned to the ones contained in the National Procurement Strategy 2022. In addition, the strategy considers priorities from the corporate plans as well as local and national policy.

## National Policies and Legislation

- National Procurement Strategy 2022:

The themes of this strategy are “showing leadership”, “behaving commercially” and “achieving community benefits”. In addition, it includes the following “enablers”:

- Adding Value
- Developing talent
- Exploiting digital technology
- Enabling innovation
- Embedding change

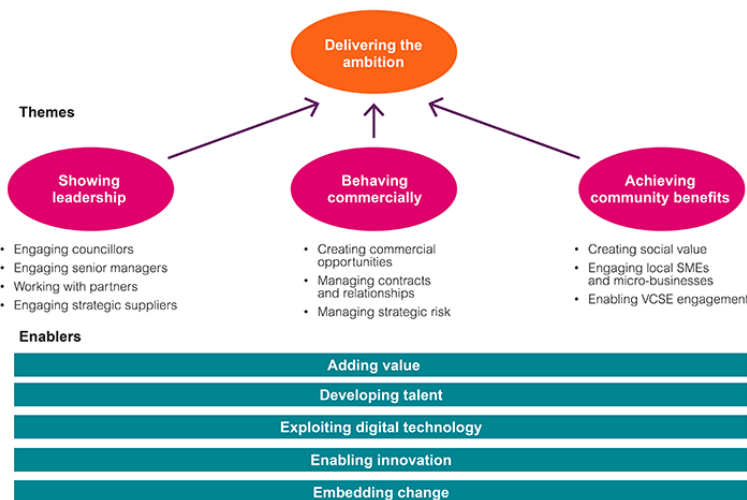


Image 1. A diagram extracted from the National Procurement Strategy 2022 document showing its themes

These themes are reflected in our aims and objectives but have been applied to a more local and council-specific context.

- **Procurement Act** (when enacted) – currently Public Contracts Regulations 2015 – provides a legal framework for procurement activities undertaken in local authorities in the UK.
- **Public Services (Social Value) Act 2012** requires public authorities to have a duty to consider how our procurement activities might improve the economic, social and environmental wellbeing of our areas and how we might act to secure that improvement.
- **Equality Act 2010** sets out anti-discrimination law in the UK and the public sector equality duty applicable to public authorities and organisations contracted to carry out a public function.

- **Modern Slavery Act 2015** introduces enforcement powers and measures to enhance the protection of victims of slavery, servitude and forced or compulsory labour and human trafficking offences and increase supply chain transparency and accountability for supply chains.
- **National Procurement Policy Statement** sets out the strategic priorities for public procurement and how contracting authorities can support their delivery. They are issued by the UK Government on an annual basis.
- **Bribery Act 2010** is aimed at dealing with the risk of bribery and corruption, which undermines corporate governance, the rule of law and damages economic development.
- **Criminal Finances Act 2017** targets corruption, money laundering and tax evasion.
- **Freedom of Information Act 2000** creates a general right of access to information held by public authorities (and those providing services for them), sets out exemptions from that right and places a number of obligations on public authorities.
- **Local Government Transparency Code 2015** sets out the minimum requirements for local authorities to publish open data for re-use and in a timely way.
- **Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018** sets an obligation on all public sector bodies to make their website or mobile application more accessible by making it 'perceivable, operable, understandable and robust'.

## Local Policies and Corporate Priorities

- Crawley Borough Council Corporate Priorities 2023 to 27
- Horsham District Council Corporate Plan (due 2024)
- Mid Sussex District Council Corporate Plan and Budget (agreed annually)
- Mole Valley District Council Corporate Strategy (due 2024)
- Crawley Borough Council's Social Value Charter, including payment of the Real Living Wage
- Horsham District Council's Sustainable Procurement Charter
- Mole Valley District Council's Sustainable Procurement Charter
- Mid Sussex District Council's Sustainable Economy Strategy and Action Plan
- Crawley Borough Council's Modern Slavery Statement
- Horsham District Council's Modern Slavery Statement
- Mid Sussex District Council's Modern Slavery Statement
- Mole Valley District Council's Modern Slavery Statement
- Crawley Borough Council Climate Emergency declared July 2019
- Crawley Borough Council 'One Town' Economic Recovery Plan 2022-2037
- Horsham District Council Climate Change Action Strategy
- Mole Valley District Council Climate Change Strategy
- Shared Procurement Service Contract Management Guidance

# Procurement Strategy Action Plan

## 2024 - 2030

The Shared Service will by the end of:	
April 2024	<ol style="list-style-type: none"> <li>1. Continue to review procurement advice and information available on the councils' intranet and internet sites and revise and enhance as appropriate</li> <li>2. Reach out to local businesses, including the voluntary, community and social enterprise sector to understand their priorities and what they want from us as councils</li> <li>3. Set up more formal strategic sharing of knowledge between Economic Development, Sustainability and Legal teams across the four councils</li> <li>4. Implement induction training in procurement for all new starters four times per year</li> <li>5. Set up a programme of shadowing key procurers to deepen our understanding of their requirements</li> <li>6. Increase awareness of the Shared Procurement Service across the four councils, where required</li> <li>7. Review current channels / media used to communicate procurement information and amend as appropriate</li> <li>8. Produce an annual procurement Work Plan for the shared service and record on savings achieved and sustainable procurement and social value benefits realised.</li> <li>9. Introduce a marketing and communications plan to advance internal customer service capability and communicate effectively with our partners and suppliers</li> </ol>
April 2025	<ol style="list-style-type: none"> <li>10. Set up a digital platform to enable officers to ask questions and share procurement experiences regarding procurement, to provide signposting to advice and information and to share good practice</li> <li>11. Implement a 'one-stop shop' solution for local and SME suppliers to gain information on tendering and procuring with the councils</li> <li>12. Invest in officer training to develop commercial skills including contract management</li> <li>13. Review how supply chains' sub-contract management outcomes are reported on throughout the councils</li> <li>14. Lead on implementation, training, template and guidance documents for Procurement Act at all four councils</li> <li>15. Agree a rolling programme of service / goods category reviews</li> <li>16. Introduce stronger methods of recording and monitoring social value and sustainability performance in our contracts</li> </ol>





# 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