

# Crawley Borough Council

## Report to Overview and Scrutiny Commission

4<sup>th</sup> July 2022

## Report to Cabinet

6<sup>th</sup> July 2022

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

Report of the Head of Corporate Finance, FIN/572

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#### 1. Purpose

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

#### 2. Recommendations

- 2.1 To the Overview and Scrutiny Commission:

**That the Commission consider the report and decide what comments, if any, it wishes to submit to the Cabinet.**

- 2.2 To the Cabinet:

The Cabinet is recommended to:

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

The Cabinet is recommended to ask Full Council to:

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

#### 3. Reasons for the Recommendations

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

## 4. Background

- 4.1 As part of the Budget Strategy, the Council has in place robust budget monitoring systems to ensure that unapproved overspends are avoided. The Council also manages and analyses underspending to identify potential savings that could help meet current and future years' priorities.
- 4.2 Budget monitoring is undertaken on a monthly basis with budget holders. There are quarterly budget monitoring reports to Cabinet with the Corporate Management Team receiving monthly update reports on key areas and any other areas of concern. The Overview and Scrutiny Commission also have the opportunity to scrutinise expenditure. The financial year 2021/2022 was exceptionally difficult to project accurately due to the impact of the pandemic on the Council's finances together with Government support.
- 4.3 This report outlines the projected outturn for 2021/2022 as at the end of March 2022.
- 4.4 As discussed in the budget report and Budget Strategy, due to the pandemic it is very difficult to accurately forecast the Council's financial position for the year.

## 5. Budget Monitoring Variations

### 5.1 General Fund

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

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

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

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

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

#### **5.1.1 Cabinet**

There are no significant variations to report this quarter.

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

There are no significant variations to report this quarter.

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

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

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

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

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

#### **5.1.4 Housing Services**

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

#### **5.1.5 Wellbeing**

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

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

### 5.1.6 Planning & Economic Development

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

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

### 5.1.7 Resources

There are no significant variations to report this quarter.

### 5.1.8 Investment Interest

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

## 6. Coronavirus Budget

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

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

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

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

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

## 8. Council Housing Service – Revenue

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

### HOUSING REVENUE ACCOUNT (HRA)

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

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

## 8.2 Repairs and Maintenance

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

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

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

## 8.3 Other Running Costs

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

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

## 9. Capital

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

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

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

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

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

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

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

## 9.10 Housing

### HRA Programme Maintenance

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

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

### HRA Database

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

### Acquisition of Land or Dwelling

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

### Forge Wood Phase 2

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

### Milton Mound Major Works

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

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

9.12 Within the fourth quarter of 2021/22 **eighteen** Council Houses were sold through Right to Buy with a sale value of £3,016,650 compared to nine in the fourth quarter of last year. Of these receipts a proportion will be paid over to the Government with the remainder being retained by the Council being set aside as 1-4-1 receipts and general capital receipts. [The 1-4-1 arrangement is one where the Council retains a larger proportion of right to buy receipts than they otherwise would, in return for a commitment to spend the additional receipts on building or acquiring properties.]

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



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

## 10. Reserves

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

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

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

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

#### 10.2 Business Rates Equalisation Reserve

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

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

#### 10.3 Town Hall Equalisation Reserve

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

#### 10.4 Parks Investment Reserve

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

#### 10.5 Garage Maintenance

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

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

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

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

#### Area/ Activity -

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

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

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

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

## **12. Background Papers**

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

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## Appendix 1 (i)

**REVENUE MONITORING SUMMARY 2021/22  
GENERAL FUND**

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

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

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

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

\*previously reported within "Minor Variations"

**QUARTER 4**

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



**Main Variations Identified - Housing Revenue Account**

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

Appendix 2

**Note**

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

**2021/22 Qtr 4 Capital Appendix**

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

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

Garages	191,185	180,615		10,570
<b>Cabinet</b>	<b>191,185</b>	<b>180,615</b>	<b>0</b>	<b>10,570</b>

510,571	200,000	338,897	
<b>510,571</b>	<b>200,000</b>	<b>338,897</b>	<b>0</b>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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