

Crawley Borough Council

Report to Overview & Scrutiny Commission 21 November 2022

Report to Cabinet 23 November 2022

Budget Strategy Mid-Year Review 2022

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

1. Purpose

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

2. Recommendations

2.1 To the Overview & Scrutiny Commission

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

2.2 To the Cabinet

The Cabinet is asked to recommend to Full Council the approval of the Budget Strategy Mid-Year Review 2022 and to:

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

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

3. Reasons for the Recommendations

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

4. Background

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

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

Table 1 - Budget Strategy Report projections

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

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

5. Revised projections – General Fund

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

Table 2 – Revised budget projections

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

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

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

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

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

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

Table 3 – Waste Management Costs

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

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

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

Table 3 – Growth Bids – General Fund

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

Energy Efficiency Officer

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

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

Digital Team – Channel Shift

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

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

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

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

5.18 Sensitivity Analysis

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

Table 4 – Sensitivity Analysis

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

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

6. Reserves

6.1 General Fund Reserve

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

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

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

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

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

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

6.2 Earmarked Reserves

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

7. Budget Process and Savings Strategy

7.1 The proposed strategy to meet the gap is -

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

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

8. Crawley Homes revenue (HRA)

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

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

9. Capital Programme

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

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

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

K2 Crawley 3G Pitch Lighting

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

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

Lifeline Digital Switchover

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

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

Park Tennis

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

Specifically, the programme of works was to provide:

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

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

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

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

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

10. Housing Revenue Account – Capital

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

Table 5 changes to Capital programme budget.

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

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

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

11. Risk Management

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

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

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

12. Background Papers

Cabinet Reports 5 October 2022

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

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

Cabinet Reports 25 November 2020

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

Cabinet Reports 24 November 2021

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

Cabinet Reports 2 February 2022

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

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

Cabinet Reports 6 July 2022

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

Cabinet Reports 8 February 2012

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

Earmarked Reserves

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

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

Crawley Homes capital investment plan.

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