

Crawley Borough Council

Report to Overview and Scrutiny Commission

30th January 2023

Report to Cabinet

1st February 2023

2022/2023 Budget Monitoring - Quarter 3

Report of the Chief Executive and Chief Accountant (s151 officer) **FIN/607**

1. Purpose

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

2. Recommendations

- 2.1 To the Overview and Scrutiny Commission:

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

- 2.2 To the Cabinet:

The Cabinet is recommended to agree to note the projected outturn for the year 2022/2023 as summarised in this report.

3. Reasons for the Recommendations

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

4. Background

- 4.1 As part of the Budget Strategy, the Council has in place robust budget monitoring systems to ensure that unapproved overspends are avoided. The Council also manages and analyses underspending to identify potential savings that could help meet current and future years' priorities.
- 4.2 Budget monitoring is undertaken on a monthly basis with budget holders. There are quarterly budget monitoring reports to Cabinet with the Corporate Management Team receiving monthly update reports on key areas and any other areas of concern. The Overview and Scrutiny Commission also has the opportunity to scrutinise expenditure.

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

5. Budget Monitoring Variations

5.1 General Fund

The table below summarises the projected variances in the relevant Portfolio at Quarter 3.

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

	Variance Projected at Quarter 3	Variance Projected at Quarter 2	
	£'000's	£'000's	
Cabinet	327	378	U
Public Protection & Community Engagement	(56)	(25)	F
Environmental Services & Sustainability	152	134	U
Housing	1,365	1,164	U
Wellbeing	(98)	(193)	F
Planning & Economic Development	30	(46)	U
Resources	38	58	U
TOTAL (SURPLUS)/DEFICIT	1,758	1,470	U
Investment Interest	(636)	(646)	F
Lower Tier Services Grant	76	76	U
ADJUSTED (SURPLUS)/DEFICIT	1,198	900	U
Budgeted transfer from reserves	452	452	
Total transfer from reserves	1,650	1,352	

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

Significant Quarter 3 variances over £20,000

5.1.1 Cabinet

The Audit Committee received EY's [Audit Results Report \(FIN/600\)](#) in November 2022 which contained their proposed fee for the 2020/21 audit. The provision for audit fees for 2020/21 to 2022/23 have been updated based on this proposal and it has resulted in additional expenditure of £127,000.

Rent reviews and back rent for Investment & Operational Properties have resulted in projected additional income of £183,000.

Additional costs of postage and printing for Crawley Live have resulted in a projected overspend of £23,000. The annual cost to print and distribute is now expected to be over £65,000. Mitigations will be sought in the next financial year, or a growth bid will be required if costs persist at this level.

5.1.2 Public Protection & Community Engagement

Vacancies within the Nuisance and Anti-Social Behaviour team have resulted in a projected underspend of £29,000.

5.1.3 Environmental Services & Sustainability Services

Difficulty in recruiting to vacancies in the Community Warden team have resulted in a projected underspend of £65,000.

The total number of consignments the Port Health team have seen through Gatwick Airport is starting to increase but overall is still 73% lower than 2019 before covid. Therefore, further lost income of £23,000 is expected.

5.1.4 Housing Services

The Homelessness team continue to see increased demand. In December 2022 the council had 387 households in temporary accommodation, of which 187 were nightly paid and 65 were out of borough. Three years ago, the comparable figures were 169 households in temporary accommodation, 8 in nightly paid, with just 2 out of borough placements to access specialist accommodation. Despite the announcement of an additional £140,000 "Homeless prevention grant" top up, the service is still expected to be £1.36m overspend.

5.1.5 Wellbeing

Under the current deed of variation, the financial risk associated with K2 Crawley sits with the council. Despite improving membership sales and usage returning closer to pre pandemic levels, the market for gym memberships is now more competitive and Everyone Active have reduced their membership fees to ensure the number of members continue to grow. Utility costs are higher than previously projected and have impacted upon the anticipated year end surplus. The projected position is now a £100k payment from Everyone Active, though this will be dependent on new year fitness membership sales.

The council has appointed a new tree contractor in April 2022 who have been unable to complete the volume of work required by the contract. This has led to a projected underspend of £68,000.

5.1.6 Planning & Economic Development

Building Control is reporting an overspend of £48,320, due to the fee income being reduced as water neutrality has delayed residential schemes coming forward.

5.1.7 Resources

Continued use of external legal services on high value, high risk, complex and / or urgent matters has led to an increase in the projected overspend. This is now forecast to be £83,000.

One-off savings on software licences has resulted in an underspend of £30,000 in the Contact Centre.

6. Virements

6.1 Virements up to £50,000 can be approved by Heads of Service under delegated powers and reported to Cabinet for information.

6.2 The Head of Community Services has agreed a virement of £50,000 from the tree maintenance contract to Kingsgate car park for required works and system improvements.

7. Council Housing (Crawley Homes) – Revenue

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

HOUSING REVENUE ACCOUNT QUARTER 3

	Q3 Variation £000's		Q2 Variation £000's
Income			
Rental Income	(336)	F	(320)
Other Income	(207)	F	(95)
Interest Received on balances	(233)	F	(231)
	(776)	F	(646)
Expenditure			
Employees	204	U	237
Repairs & Maintenance	1,306	U	460
Other running costs	285	U	167
Support services	0	F	0
	1,795	U	864
Net (Surplus) / Deficit	1,019	U	218
Available to fund future investment in housing	(1,019)		(218)

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

7.2 Other Income

Additional service charges billed to leaseholders has resulted in increased income of £116,000.

7.3 **Employees**

There is a vacancy in the Programmed Maintenance team which will be recruited to in quarter 4. This is expected to produce an underspend of £26,000

7.4 **Repairs and Maintenance**

The forecast overspend on the responsive repairs contract is expected to increase by a further £800,000 to £1,150,000. This is a result of the cost per repair continue to increase for our contractors Mears and Wates, due to material costs increasing because of current inflation rates. Both contractors are seeing an increase in the cost per repair of voids by over 15%, part of this is due to the poor condition of the properties when returned to the HRA (also see 7.5 below). Additionally, the overspend figures includes a forecast of £350,000 of weather-related repairs including fencing and cold weather damage.

Due to increased compliance requirements and fire risk assessments for the Housing stock there is a forecast overspend of £50,000. This has been built into future years budgets.

7.5 **Other Running Costs**

The overspend on the services new integrated IT system is expected to reduce to £75,000. This is a result of some licences for the new system not being needed until later in the year because of the delays to the systems implementation.

Void periods are increasing due to some properties being returned to the HRA in poor condition. This results additional council tax costs to the HRA. An overspend of £40,000 is therefore forecast for 2022/23. The HRA has introduced a void intervention scheme where we review the condition of the property before an applicant is to leave their property to try to reduce this happening in the future.

There are an increased number of dis-repair claims across the country as more solicitors are offering “no win, no fee” services. Every time we must defend a case, we are required to hire an external surveyor. The overspend for Crawley is projected to be £50,000.

As a result of the increasing inflation rates there is an anticipated overspend on electricity costs of £30,000.

8. **Capital**

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

	Latest Budget 2022/23 £000's	Spend to Q3 2022/23 £000's	Estimated Outturn 2022/23 £000's	Re-profiled to/(from) future years £000's
Joint Responsibility	6,330	3,413	6,330	0
Cabinet	511	106	311	200
Environmental Services & Sustainability	574	361	594	(20)
Housing Services	2,896	1,022	2,401	495
Planning & Economic Development	1,906	405	1,475	431
Resources	459	21	328	143
Wellbeing	935	275	1,085	(150)
Total General Fund	13,611	5,603	12,524	1,099
Council Housing	23,850	15,051	23,979	(129)
Total Capital	37,461	20,654	36,503	970

- 8.2 The Garage programme has slipped £200,000 from 2022/23 into 2023/24 mainly due to surveying resources within the HRA being focused on disrepair and damp/mould issues within the HRA stock. A full major works/garage replacement programme will be undertaken in 2023/24.
- 8.3 The Disabled Facilities Grants is slipping £425,000 into 2023/24. The service has been understaffed during this year due to long term sickness which is having an impact.
- 8.4 Due to the extra time that has been required to negotiate the Pre-Construction Service Agreement the Crawley Fusion Innovation Centre will be slipping £250,000 into 2023/24.
- 8.5 As the Council are not the Highways Authority there is a need to apply for a S278 and Traffic Regulation Order (TRO) permit for Town Centre Western Boulevard: an application has been made and the Council are awaiting a response that may take up to three months before permits are issued. Due to this delay £149,772 has been slipped from 2022/23 into 2023/24.
- 8.6 £82,000 has been transferred to the capital programme for the Wellbeing mobile vehicle from the revenue budget.

8.7 HRA Improvements Programme

Decent Homes

There has been an increase spend on decent homes works largely due to a significant amount of roofing works being required following the long dry summer followed by recent very wet and windy weather plus snow and ice. Included within the Decent Homes budget are kitchen and bathrooms which has had increased spend in line with the increased number of void properties. This has required £2,885,859 to be slipped forward into 2022/23 from 2023/24.

Insulation and Boilers

The insulation and boiler programme has been delayed in 2022/23 while the HRA apply for government match funding to carry out decarbonisation to the housing stock. Work is continuing on the successful Wave 1 bid, however a larger Wave 2 application will see the programme increasing in 2023/24. There is a need to slip from 2022/23 to 2023/24 £1,358,841 for Insulation and £718,805 for Boilers & Heating.

8.8 From the 1st April 2021 the reporting of the use of Right to Buy 1-4-1 receipts to the Ministry of Housing, Communities and Local Government (MHCLG) has moved to an annual return. Other changes are that these receipts now need to be used within 5 years of receipt instead of 3 years and can be used to fund up to 40% of new affordable homes including shared ownership dwellings. This was as a result to responses to [Government consultation](#) on Right to Buy receipts.

8.9 Within the third quarter of 2022/23 eight Council Houses with a sale value of £1,438,250.00 compared to ten in the third quarter of last year. Of these receipts a proportion will be paid over to the Government with the remainder being retained by the Council being set aside as 1-4-1 receipts and general capital receipts. The values of each will be calculated within the annual return. [The 1-4-1 arrangement is one where the Council retains a larger proportion of right to buy receipts than they otherwise would, in return for a commitment to spend the additional receipts on building or acquiring properties.]

9. Treasury Management

9.1 The former Head of Corporate Finance, along with the Chief Executive and Chief Accountant (s151 officer) report 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 2023/24 – 2027/28 FIN/583](#)

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

[2022/2023 Budget Monitoring – Quarter 2 FIN//594](#)

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

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

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

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

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Appendix 1 (i)

REVENUE MONITORING SUMMARY 2022/23
GENERAL FUND

	Latest Budget £000's	Projected Outturn £000's	Variance £000's
Cabinet	(4,287)	(3,960)	327
Public Protection & Community Engagement	1,307	1,251	(56)
Environmental Services & Sustainability	4,822	4,974	152
Housing	2,745	4,110	1,365
Wellbeing	10,113	10,015	(98)
Planning & Economic Development	1,829	1,859	30
Resources	381	419	38
	16,910	18,668	1,758
Depreciation	(3,226)	(3,226)	0
Renewals Fund	750	750	0
NET COST OF SERVICES	14,435	16,192	1,758
Investment Interest	(606)	(1,242)	(636)
MRP	942	942	0
Council Tax	(7,891)	(7,891)	0
RSG	(63)	(63)	0
NNDR	(5,236)	(5,236)	0
New Homes Bonus	(606)	(606)	0
Service Grant	(251)	(251)	0
Lower Tier Services Grant	(272)	(196)	76
Net contribution from / (-to) Reserves	452	1,649	1,198

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

	Q3 Projected Variation £'000s	Q2 Projected Variation £'000s
<u>Cabinet</u>		
Pay Award (£1,925 per banding)	800	800
Additional Garage Income	(197)	(197)
National Insurance reversal	(58)	(58)
Additional Insurance costs	63	63
Increased Audit Fees	127	0
Investment & Operational Properties Agreed Back-Rent	(414)	(231)
Crawley Live Print & Mailing	23	0
Minor Variations	(17)	1
	327	378
<u>Public Protection & Community Engagement</u>		
NASB Team Vacancies	(29)	0
Minor Variations	(27)	(25)
	(56)	(25)
<u>Environmental Services & Sustainability</u>		
Public Conveniences Business Rates	(20)	(20)
Community Warden Vacancies	(65)	0
Port Health Income	72	49
Environmental Health Vacancy Provision	39	36
Kingsgate works	80	80
Minor Variations	46	(11)
	152	134
<u>Housing</u>		
Homelessness Pressures	1,364	1,152
Minor Variations	1	12
	1,365	1,164
<u>Wellbeing</u>		
Play Vacancies	(34)	(35)
Tree Contract	(68)	0
Community Centres Reduction in Expected Shortfall	(37)	(47)
K2 Crawley Reduction in Expected Shortfall	(13)	(163)
Minor Variations	54	52
	(98)	(193)
<u>Planning & Economic Development</u>		
Property Built Environment Vacancies and Operational Savings	(78)	(76)
Building Control	48	0

Minor Variations

60

30

30

(46)

Resources

Contact Centre Vacancy Provision

0

20

Contact Centre software savings

(30)

0

Elections Reduced Staffing Requirement

(11)

(22)

Legal Sub-Contracted

83

60

Minor Variations

(4)

0

38

58

TOTAL GENERAL FUND VARIANCES

1,758

1,470

Investment Interest

(636)

(646)

Lower Tier Services Grant

76

76

TOTAL VARIANCES

1,198

900

QUARTER 3

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate £'000s	Projected Outturn £'000s	Variation £'000s
Income			
Rental Income	(48,002)	(48,338)	(336)
Other Income	(2,685)	(2,892)	(207)
Interest received on balances	(305)	(538)	(233)
Total income	(50,992)	(51,768)	(776)
Expenditure			
Employees	4,165	4,369	204
Repairs & Maintenance	13,467	14,773	1,306
Other running costs	2,111	2,396	285
Support services	3,096	3,096	0
	22,839	24,634	1,795
Net (Surplus) / Deficit	(28,153)	(27,134)	1,019
Use of Reserves:			
Debt Interest Payments	8,309	8,309	0
Depreciation, Revaluation & Impairment	7,195	7,195	0
Transfer to/(from) Housing Reserve	12,649	11,630	(1,019)
Total	28,153	27,134	(1,019)

Main Variations Identified - Housing Revenue Account

	Q3 Variation £'000s	Q2 Variation £'000s
Income		
Forge Wood properties additional rents	(336)	(320)
Interest income	(233)	(231)
Service charges to Leaseholders	(116)	0
Insurance reimbursement for fire damage	(84)	(84)
Minor variations	(7)	(11)
	(776)	(646)
Employees		
Anticipated pay award	225	225
Unmet vacancy provision	62	62
Policy & Engagement Manager vacancy	(32)	(27)
Vacancies in the programmed maintenance team	(26)	0
National Insurance reversal	(11)	(11)
Minor variations	(14)	(12)
	204	237
Repairs & Premises Costs		
Repairs contract due to increased cost per repair (Wates 24%, Mears 11%)	1,150	350
Legislative change - Housing providers responsible for identifying asbestos issues	95	95
Fire protection expenditure	50	0
Minor variations	11	15
	1,306	460
Other Running Costs		
Licence costs because of the delay to new IT system	75	99
Increase in Council Tax paid because of a higher number of voids	40	0
Housing Ombudsman subscription	39	31
Increasing number of dis-repair claims being as a result of "no win no fee" offers	38	0
Insurance costs due to higher build value	37	37
Electricity because of high inflation rates	30	0
Minor variations	26	0
	285	167
TOTAL VARIANCES	1,019	218

2022/23 Qtr. 3 Capital

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

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
New Town Hall Redevelopment - Joint responsibility	6,160,470	3,267,376	6,160,470	0	0
Town Centre Fund					
Transformation Schemes (including Project Jupiter)	170,000	145,233	170,000		
Joint responsibility	6,330,470	3,412,609	6,330,470	0	0

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
0	100,000	0	0
410,000			
674,163			
1,084,163	100,000	0	0

Garages	510,571	106,116	310,571		200,000
Cabinet	510,571	106,116	310,571	0	200,000

450,000	338,897	300,000	
450,000	338,897	300,000	0

Environmental Services and Sustainability					
Muslim Burial Ground Cemetery	322,380	173,651	322,380		
Cycle Paths					
District Heat Network Phase 2	94,950	93,250	94,950		
Flooding Emergency Works	37,962	33,219	57,962		(20,000)
Leat Stream Ifield Flood Alleviation	7,289	7,215	7,289		
Tilgate Lake Bank Erosion	30,000		30,000		
Water Course Work	80,925	53,206	80,925		
Climate Change Initiatives					
TOTAL ENVIRONMENTAL SERVICES & SUSTAINABILITY PORTFOLIO	573,506	360,541	593,506	0	(20,000)

	25,300		
76,804			
120,000			
60,000			
256,804	25,300	0	0

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
Housing Enabling (General Fund)					
Temp Accommodation Acquisitions	1,809,600	611,050	1,809,600		
Affordable Housing Town Hall					
Longley House	70,000				70,000
Disabled Facilities Grants	1,000,000	397,326	575,000		425,000
Improvement/Repair Loans	16,704	13,152	16,704		
TOTAL HOUSING (GENERAL FUND) PORTFOLIO	2,896,304	1,021,528	2,401,304	0	495,000

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
6,588,658			
	3,138,250		
415,000	1,200,000		1,700,000
1,334,537			
15,000			
8,353,195	4,338,250	0	1,700,000

Planning and Economic Development					
Manor Royal Business Group					
Crawley Fusion Innovation Centre	429,114	131,234	250,000		179,114
<u>Crawley Growth Programme</u>					
Queensway	7,590	10,601	16,083		(8,493)
Town Centre Signage and Wayfinding	11,487	1,955	1,955		9,532
Town Centre General					
Manor Royal Cycle Improvements					
Town Centre Western Boulevard (cycle improvements)	249,772	80,581	100,000		149,772
Manor Royal Super Hub					
Station Gateway	104,381	85,146	116,767		(12,386)
Town Centre Super Hub					
Town Centre Commercial Space Development	57,000	63,153	98,153		(41,153)
Three Bridges Station	43,000	29,295	37,856		5,144
Total Crawley Growth Programme	473,230	270,731	370,814	0	102,416

200,000			
4,029,114	250,000		
100,000			
9,532			
71,100			
1,775,935			
860,307			
263,028			
1,959,238	2,880,000	1,990,000	50,004
		74,231	
1,000,000	4,901,847		
210,000	600,000	603,988	
6,249,140	8,381,847	2,668,219	50,004

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
Towns Fund					
Manor Royal Business Environment Improvement Programme	350,000	1,419	350,000		
Green Business Infrastructure Grants Pillar 1	150,000		150,000		
Green Business Infrastructure Grants Pillar 2	200,000	1,309	50,000		150,000
Manor Royal Gigabit					
Crawley Homes Green Retrofitting	303,700		303,700		
TOTAL PLANNING & ECONOMIC DEVELOPMENT PORTFOLIO	1,906,044	404,693	1,474,514	0	431,530
Resources					
Gigabit					
ICT Capital - Future Projects	40,400				40,400
New Website And Intranet	52,406				52,406
ICT Transformation Future					
ICT Cloud	82,000	3,650	82,000		
Income Management System	60,000		60,000		
Commercial Property System	4,086	16,686	16,686	(12,600)	
Sharepoint	50,000		50,000		
Agile Working	70,000	1,170	70,000		
Channel Shift					
Hardware Renewals	100,000		50,000		50,000
TOTAL RESOURCES PORTFOLIO	458,892	21,506	328,686	(12,600)	142,806
Wellbeing					
Vehicle Replacement Programme	177,246	141,351	177,246		
Refurb Playgrounds Future Schemes					

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
500,000	500,000	150,000	
360,000	320,000	170,000	
650,000	300,000		
1,232,100	1,232,100	1,232,100	
13,220,354	10,983,947	4,220,319	50,004
1,350,000			
105,400			
52,406			
25,000			
218,024			
102,679			
61,000			
50,000			
1,964,509	0	0	0
247,254			
39,360			

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
Skate Park Equipment					
Memorial Gardens Improvements					
Tilgate Park	4,769		4,769		
Nature & Wildlife Centre	45,905	35,340	45,905		
Allotments	58,000	11,500	58,000		
Adventure Playgrounds	152,904	22,927	161,904		(9,000)
Memorial Gardens Play Improvements	16,933	107	16,933		
Meadowlands					
Southgate Playing Fields	50,851	2,740	50,851		
Perkstead Court Play Area Bewbush					
Park Tennis	131,390	17,570	271,850		(140,460)
Halley Close Play					
Curteys Walk Play					
Brideake Play					
Wakehams Play					
Puffin Road Play					
Browness Close Play					
Plantain Crescent Play					
K2 Crawley Replacement Chiller	155,000		155,000		
Broadfield 3G Lighting	45,000	44,177	45,000		
Changing Places	97,000		97,000		
K2 Crawley 3G Pitch Lighting					
TOTAL WELLBEING PORTFOLIO	934,998	275,712	1,084,458	0	(149,460)
TOTAL GENERAL FUND	13,610,785	5,602,705	12,523,509	(12,600)	1,099,876

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
46,000			
33,400			
27,000			
177,427			
65,000			
20,000			
15,000			
15,000			
17,000			
55,000			
18,000			
18,000			
15,000			
45,000			
853,441	0	0	0
26,182,466	15,786,394	4,520,319	1,750,004

Housing - HRA (Crawley Homes)					
Improvements -					

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
Decent Homes	4,992,043	4,181,503	7,877,903		(2,885,859)
Renovations	732,929	499,869	860,472		(127,543)
Insulation	2,775,113	656,983	1,416,272		1,358,841
Renewable Technology/Carbon Efficiency	268,620	2,471	33,400		235,220
Compliancy Works	1,671,791	573,257	1,671,791		
Boilers & Heating	1,668,805	737,246	950,000		718,805
Electrical Test & Inspection	474,348	295,776	366,889		107,459
Adaptations For The Disabled	1,370,571	469,013	900,200		470,371
Hostels	187,992	7,968	10,000		177,992
TOTAL HRA IMPROVEMENTS	14,142,212	7,424,086	14,086,927	0	55,286

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
4,029,076	6,500,000	6,500,000	
572,457	650,000	650,000	
3,158,841	1,800,000	1,200,000	
485,220	250,000	250,000	
1,793,195	1,450,000	1,450,000	
1,130,497	1,200,000	1,500,000	
907,460	800,000	850,000	
1,770,371	1,300,000	1,300,000	
277,992	100,000	100,000	
14,125,109	14,050,000	13,800,000	0

Other HRA (Crawley Homes)					
HRA Database	293,273	76,063	293,273		
Acquisition Of Land Or Dwellings	2,000,000	1,262,214	2,000,000		
Forge Wood					
Telford Place Development	18,500	65,449	74,628		(56,128)
Forge Wood Phase 2	2,550,414	2,186,751	2,566,791		(16,377)
Forge Wood Phase 3			4,277		(4,277)
Forge Wood Phase 4					
Purchase Of Properties	2,680,165	2,680,165	2,680,165		
5 Perryfields	10,500	6,500	13,500		(3,000)
Carey House	69,821	32,162	99,999		(30,178)
Fairlawn House					
Milton Mount Major Works	1,606,870	1,192,472	1,606,870		
Breezehurst Phase 2	171,505	3,505	161,005		10,500
Orchards Hostel					
Water Neutrality	170,000		170,000		

298,250			
	1,235,389	1,128,115	755,863
3,902,500	7,730,000	7,956,192	983,936
4,034,751	4,121,344	4,277,787	
819,835			
188,000	372,076	33,042	
207,134			
9,380,577	4,984,432		210,000
126,000	196,000	16,485	

Scheme Description	Budget 2022/23	Spend to Date	Projected Outturn	Under / (Over Spend)	Slippage
	£	£	£	£	£
Contingencies					
Prelims	136,924	122,105	221,788		(84,864)
Lifeline Digital Switchover					
TOTAL OTHER HRA	9,707,972	7,627,386	9,892,296	0	(184,324)
TOTAL HRA	23,850,184	15,051,472	23,979,223	0	(129,038)
TOTAL CAPITAL PROGRAMME	37,460,969	20,654,177	36,502,732	(12,600)	970,838

Budget 2023/24	Budget 2024/25	Budget 2025/26	Future Years
£	£	£	£
1,137,311	222,191		
202,836			
60,000	60,000		
20,357,194	18,921,432	13,411,621	1,949,799
34,482,303	32,971,432	27,211,621	1,949,799
60,664,769	48,757,826	31,731,940	3,699,803

FUNDED BY

Capital Receipts	(7,683,913)	(3,698,957)	(7,615,934)	12,600	(80,579)
Capital Reserve					
Better Care Fund (formally DFGs)	(1,000,000)	(397,326)	(575,000)		(425,000)
External Funding	(3,225,884)	(865,631)	(3,003,999)		(221,885)
HRA Revenue Contribution	(11,339,072)	(12,586,956)	(11,429,526)		90,453
Replacement Fund/Revenue Financing	(2,074,297)	(436,877)	(1,771,890)		(302,406)
Section 106	(456,692)	(203,914)	(331,685)		(125,007)
1-4-1	(2,983,096)	(2,464,516)	(3,076,681)		93,586
Borrowing	(8,698,015)		(8,698,017)		
TOTAL FUNDING	(37,460,969)	(20,654,177)	(36,502,732)	12,600	(970,838)

(6,173,835)	(5,415,384)	(780,918)	(1,164,004)
(726,569)	(314,000)		(586,000)
(1,334,537)			
(9,586,798)	(7,094,453)	(3,374,635)	
(27,472,318)	(25,846,077)	(21,866,783)	(1,169,880)
(2,278,154)	(338,897)	(300,000)	
(1,082,575)	(897,347)	(64,766)	
(7,009,983)	(8,851,668)	(5,344,838)	(779,919)
(5,000,000)			
(60,664,769)	(48,757,826)	(31,731,940)	(3,699,803)

Treasury Management and Prudential Code Compliance

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

Debt Limits

£000	2022/23 Maximum	31.12.22 Actual	2022/23 Operational Boundary	2022/23 Authorised Limit	Complied?
Borrowing	261,095	260,325	261,325	271,325	Yes
Finance Leases	44	44	44	44	Yes
Total debt	261,139	260,469	261,369	271,369	Yes

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

Investment Limits

	2022/23 Maximum	31.12.22 Actual	2022/23 Limit	Complied?
Any single organisation, except the UK Government	£10m	£10m	£10m	Yes
Any group of organisations under the same ownership	£10m	£10m	£10m	Yes
Any group of pooled funds under the same management	£10m	£10m	£25m	Yes
Negotiable instruments held in a broker's nominee account	£10m	£10m	£25m	Yes
Limit per non-UK country	£10m	-	£10m	Yes
Registered providers and registered social landlords	-	-	£10m	Yes
Unsecured investments with building societies	-	-	£10m	Yes
Loans to unrated corporates	-	-	£5m	Yes
Money Market Funds	£31.05m	£9.62m	Unlimited	Yes
Strategic pooled funds	£10m	£10m	£20m	Yes
Real Estate Investment Trusts	-	-	£20m	Yes

Treasury Management Indicators

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

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

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

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling one-week period, without additional borrowing.

	31.12.22 Actual	2022/23 Target	Complied?
Total cash available within 1 week	£20.7m	£3m	Yes

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	31.12.22 Actual	2022/23 Target	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.273m	£1m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£0.273m	£1m	Yes

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

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Refinancing rate risk indicator	31.12.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	4%	20%	0%	Yes
12 months and within 24 months	5%	20%	0%	Yes
24 months and within 5 years	16%	30%	0%	Yes
5 years and within 10 years	35%	40%	0%	Yes
10 years and within 20 years	40%	50%	0%	Yes
20 years and within 30 years	0%	10%	0%	Yes
30 years and within 40 years	0%	10%	0%	Yes
40 years and within 50 years	0%	10%	0%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2022/23	2023/24	2024/25
Actual principal invested beyond year end	£15m	£20m	-
Limit on principal invested beyond year end	£20m	£20m	£20m
Complied?	Yes	Yes	Yes