

Narrative Report

2022 – 2023

Narrative Report (Continued)

1. An Introduction to Crawley Borough Council

Crawley Borough covers just under 18 sq miles and has a population of approximately 118,600 residents, which is growing and forecast to reach 122,000 by 2034. It is situated in the north eastern part of the county of West Sussex.

Crawley is a bustling modern town and, for many years, has been the major economic force in West Sussex as well as the Gatwick Diamond area, with over 3,400 active businesses.

Despite having just two per cent of the West Sussex land mass, Crawley contributes 22 per cent of its annual economic wealth output. Since 2013, Crawley's economy grew by 23%, one of the fastest growing in the south east, and in 2021, was worth £5.25bn in Gross Value Added with over 90,000 jobs; the fifth highest job density in the country outside London.

Gatwick Airport is located within the borough and, over the past 60 years, has grown to become the world's busiest single runway airport with over 46 million passengers in 2019. Crawley is also home to Manor Royal, the South East's premier business park, employing over 30,000 people and accommodating 600 businesses across 240 hectares. The land between Manor Royal and the airport is required to be safeguarded for a potential second runway.

The town is divided into fourteen neighbourhoods around the town centre, each with its own schools, shops and community facilities. Crawley has a rich history and heritage going back to the Bronze Age, but the town really took off in the 1940's when it was designated one of 8 'New Towns'. Recent public sector investment in the public realm at Queens Square, Queensway and the Eastern Gateway (College Road and The Boulevard) has further enhanced the town centre, creating an attractive, vibrant and enjoyable space for residents and visitors.

The global COVID-19 pandemic had a devastating impact on the local economy, largely as a result of the contraction in the aviation industry with Gatwick Airport passenger numbers falling to just 10 million in 2020 and only a fraction of flights operating. In April 2020, a Centre for Cities report predicted that 57% of Crawley's employment base was at risk of redundancy or furlough as a result of the crisis – the highest proportion of any urban area in the country. This is in view of the large number of jobs benefitting residents working in aviation, transportation, retail, hospitality and leisure.

At the height of the pandemic, Crawley's unemployment claimant count trebled to 8.3% with over 6,000 unemployed local residents claiming universal credit. Youth unemployment (18-24yrs) rose to almost 13% and, with major redundancies realised across many sectors, 25,800 Crawley residents (1 in 3) were furloughed.

The Council was swift to respond to the economic crisis, publishing its 'One Town' Economic Recovery Plan in December 2021; an overarching strategic plan for all our existing delivery programmes including the Crawley Growth Programme, Towns Fund, Town Centre Regeneration Programme and Employment & Skills Programme.

Working in partnership, the Council is continuing to pro-actively lead and facilitate the development of major programmes of new infrastructure, amenity, residential development and economic regeneration and unlock further investment to boost recovery. The combined value of this public and private sector investment in the town is set to reach over £400m including £21.1m from the Towns Fund, £31.4m through the Crawley Growth Programme, £70m at Crawley Station Gateway, £23m investment in digital infrastructure from City Fibre and £46.5m in the New Town Hall regeneration scheme. These plans build on Crawley's previous economic

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success to achieve the sustainable economic recovery needed to bring about benefits to local residents and businesses.

2. Council Structure-the council is made up of Portfolios -

Cabinet (Leader)

Leadership of the Council including:

- development of policy and strategy
- staffing of the Council
- governance
- communications
- finance and procurement
- Councillors' services
- Council owned commercial properties
- Council owned garages
- civil contingencies

Planning and Economic Development

Responsibility for:

- town and country planning (including local planning policy)
- transport planning
- economic development and regeneration
- asset management

Public Protection and Community Engagement

Responsibility for driving up the performance of council services.

Responsibility for:

- community safety and anti-social behaviour
- community and neighbourhood development
- community engagement
- grants to voluntary bodies
- community cohesion and social inclusion and mobility
- town twinning
- issues relation to travellers
- children and young people
- armed forces covenant

Housing

Responsibility for:

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- Crawley Homes (landlord role)
- strategic housing
- council tax reduction and housing benefit

Environmental Services and Sustainability

Responsibility for:

- Gatwick Airport Port Health
- public health and safety
- environmental health service
- waste management, refuse and recycling
- streetscene
- licensing
- public conveniences
- community wardens
- car parking and civil enforcement
- climate change and sustainability
- cemeteries and burials
- flood prevention and land drainage

Resources

Responsibility for:

- legal, governance and HR
- audit
- current building management/office accommodation
- customer complaints, Freedom of Information and data protection
- Contact Centre
- shared service provision
- ICT
- transformation programme
- mayoralty

Wellbeing

Responsibility for:

- health and wellbeing
- arts (including The Hawth and Crawley Museum)
- sport and fitness (including K2 Crawley)
- parks, gardens and open spaces
- allotments
- play service
- community centres

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3. Council's Performance

- Completed Phase 1 of the Town Centre District Heat Network with heat being provided to 130 residential units and to the New Town Hall / Create Building.
- Achieved Practical Completion of the New Town Hall / Create Building. Borough Council staff began moving into the new building in January 2023 and the new Town Hall became fully operational as the Council's administrative, civic and customer contact base from March.
- Memberships and visits to K2 Crawley, The Hawth and the Council's Community Centres returned to pre-pandemic levels by the end of the financial year.
- Ancient Crawley tree added to Queen's Green Canopy. A hawthorn tree, at least 225 years old and with a girth of almost 4m, has been chosen as one of just 70 ancient trees in the UK to be dedicated to the Queen's Green Canopy as part of the Platinum Jubilee celebrations.
- The Anniversary Gardens in West Green Park have been redeveloped to mark the 75th anniversary of Crawley New Town.
- Five Council parks retain Green Flag Awards: Memorial Gardens, Worth Park, Ifield Mill Pond, Goffs Park and Tilgate Park were among the winners. Tilgate Park has now achieved this status for 20 consecutive years.
- The Council welcomed Crawley Homes tenants and leaseholders from across the town to its first Estates Day. Tenants and leaseholders were invited to come and talk to the council about how they would like it to deliver estate services and what is important to them in terms of how the council manages council housing.
- The Council has pioneered a strategy to retrofit water saving devices into its existing housing stock in order to unblock two new affordable housing schemes that are required to be "water neutral".
- Crawley New Town's 75th anniversary celebrations included a programme of light installations, videos, theatre and entertainment across the town centre.
- Two new conservation areas covering Queens Square and The Broadway and Gossops Green Neighbourhood Centre have been created by the Council.
- £9 million pound town centre regeneration scheme successfully completed, funded by the Crawley Growth Programme, to upgrade the highways and public realm infrastructure at the Eastern Gateway to the town, improving links to key opportunity sites such as the New Town Hall, Crawley College and Telford Place.
- The Council, in partnership with decarbonisation consultants NetZero Collective and Liberty, have retrofitted 10 council homes with renewable technologies including solar panels, battery storage and air source heat pumps to replace existing gas boilers. This has reduced a council tenant's fuel bills by 80 per cent.

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- The new Crawley Innovation Centre has been granted planning permission and will bring a much-needed economic, innovation and technological boost to the town.
- Eight Towns Fund projects worth £17.1m that will boost Crawley's economy have been approved by the government. The projects will help boost job creation, business growth and economic recovery; develop skills, innovation and sustainability; and enhance art and culture amenities for businesses and residents.
- New Green Tech Business Growth Grants programme launched in January 2023, funded by the Towns Fund and offering grants of up to £175,000 to local businesses that operate in the green-tech or low carbon sectors to enable business growth and generate additional jobs.
- Successfully secured £1 million over three years from the Government's UK Shared Prosperity Fund to invest in local communities and deliver projects that will boost productivity, pay, jobs and living standards and increase opportunities between those in the most and least deprived areas in the town.
- Awarded grants totalling £250,431 to eighteen not-for-profit organisations for a range of new and existing activities that will benefit Crawley residents and visitors.
- Awarded a total of £16,404 from the Council's small grants fund to 12 voluntary and community organisations.
- The Council and the Affordable Housing and Healthcare Group (AHH) are working in partnership on a scheme to deliver more than 300 new affordable homes, as part of a £100m town centre regeneration project at Telford Place.
- Crawley Wellbeing's new mobile unit supports the health and wellbeing of people who live and work in the town.
- The council, working with Govia Thameslink Railway, Network Rail and West Sussex County Council, will redevelop Three Bridges Station forecourt, create a new entrance to the station from Station Hill and create a vibrant new space with excellent connectivity for all.
- The Council has successfully bid for £6.8m from the government's Social Housing Decarbonisation Fund to improve the energy efficiency of council homes.
- Eight local businesses have been awarded a total of £34,016 funding from the Council's Small Business Grant Scheme.
- Employ Crawley celebrated its fifth birthday in October 2022 and continues to deliver free, bespoke employment support and advice to local residents, including a Jobs Fair in March 2023 and Apprenticeship Fair in June 2022, attended by over 600 people.
- Sponsored the Love Local Jobs 'Dare to Dream' programme, helping over 1,000 students from seven Crawley schools by supporting self-awareness, resilience and employability skills and wellbeing.
- 3,000 Year 8 and 9 students attending a Safer Schools event raising awareness of drug and knife crime and involvement in gangs and County Lines.

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- 1,500 Year 6 students attending Junior Citizen, an event in its 30th year teaching children life skills and how to stay safe.
- Over 200 new affordable homes delivered in the past year and with a pipeline to deliver over 1,000 across the four-year period.
- Secured investment from the LTA Tennis Foundations to refurbish 9 tennis courts across West Green, Maidenbower and Southgate to open up the sport to more people.
- Through the Council's inward investment programme, 'Invest Crawley' hosted over 50 delegates to attend the official launch of the new Create Building in November 2022, offering tours of the 77,000 sq ft of Grade A commercial space above the Town Hall.
- More than 3,000 people attended STEM in the Park in Memorial Gardens in May 2023. Delivered in partnership with The STEM Hub and Crawley College, the event showcased a diverse range of STEM activities from local employers and businesses.
- Sponsored Gatwick Diamond Business Awards 'Professional Services Firm of the Year' category in March 2023.

Some statistical information on our achievements

Over 1200 people assisted by the Health and Wellbeing team, this included:

- 330 people attended an MOT appointment with a Wellbeing Advisor (excludes Health Check and Smoking appointments)
- 146 New Smoking Cessation clients
- 53 Successful Quits (please note this number is not a percentage of the new smoking clients).
- 48% successful smoking cessation quit rate (based on clients who completed in 2022/23)
- 169 NHS Health Checks Completed
- 95 people completed a weight management 12-week course (29 achieved 5% weight loss)
- 69 people completed a 24-week falls prevention programme (66 reported improved Strength & Balance & self-reported reduce fear of falling)
- 37 completed a 12-week strength and balance course (35 self-reported improved Strength & Balance)
- 59 people seen by a specialised Alcohol Advisor for support (42 completed an intervention) 18 from 19 people we have pre & post data on have reduced their alcohol intake
- 100 completed a physical activity programme – over 90% increased their physical activity levels

Other statistics:

- Hosted 44 Outreach Events with nearly 800 interactions
- 55 people engaged with Health and Wellbeing Services mobile unit which was launched on 2 March 2023.
- 150,638 attendances at the Hawth Theatre (99,866 last year)
- 1,453,724 attendances at our Leisure Centres (1,186,927 last year)

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- 6,810 residents in receipt of Council Tax Reduction (formally Council Tax Benefit) – a decrease of 3.5% on the previous year.
- 228 Households were prevented from becoming Homeless (176 last year).
- 89 Households whose Homelessness was relieved (147 last year)
- 2,120 Households on the Housing Register (1,936 last year)
- 211 Affordable Homes delivered in year with 0 Homes that are on site (due to water neutrality)
- 229 people were helped into work through 'Employ Crawley' (255 last year)
- 645 Freedom of Information requests processed (632 last year)
- 6093 new myCrawley accounts (Total now 41,731 up from 35,368)
- 36,230 myCrawley transactions (45,407 last year)
- 8,663 Twitter followers and 10,725 Facebook (8,495 and 9,824 last year)
- 831 Planning Applications, 303 Pre-Application enquiries, 24 appeals, 136 Planning Enforcement Investigations.
- 120,375 calls into the Contact Centre (117,343 last year)
- 13,955 customer visits to the town hall
- 2,240,316 scheduled refuse collections
- 10,889 Green Garden Waste Bin customers (10,674 last year)
- Collected 32,250 tonnes of refuse, recycling and garden waste
- Issued 943 FPNs for littering (375 last year)
- £122,176,092 collected in Business Rates - the majority of this is passed to the Government and West Sussex County Council
- £72,824,693 of Council Tax collected, Crawley Borough Council kept 10.9p in each £1 collected with the balance transferred to West Sussex County Council and the Sussex Police and Crime Commissioner.

Corporate Priorities in 2022/23

1. Delivering value for money and modernising the way we work

We will:

- Continue to balance the budget (over a four-year period), by improving our efficiency, increasing income and investing ethically and wisely.
- Work to keep council tax low without compromising local services.
- Continue to deliver the Transformation Plan.
- Continue to develop digital service delivery, enabling customers to engage with council services at their convenience, via websites and self-service portals, whilst investing in technology to support digital working and self-service for CBC staff, including mobile teams.
- Transition to the New Town Hall and embed new working practices.
- Maximise the use of our assets, ensuring they deliver value for money and consider the social value of what these provide to our communities, where appropriate.

2. Delivering affordable homes for Crawley and addressing homelessness

We will:

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- Continue to deliver as much affordable housing as possible, particularly Council housing, through our own-build and enabling programmes for people with a local connection to Crawley and to meet our other statutory duties.
- Work collaboratively with other statutory and voluntary sector agencies in supporting those facing homelessness within the borough. Lobby government for the appropriate support with regard to temporary accommodation and those at risk of homelessness.
- Continue working with neighbouring councils in the spirit of partnership to collectively deliver housing to meet Crawley's needs through the 'duty to co-operate arrangements'.
- Deliver improvements to the management of the Council's housing stock in line with legislative reform, ensuring the customer is at the heart of service delivery and feel safe and secure in their tenancies.

3. Enabling a sustainable economic recovery and improving job opportunities

We will:

- Continue to implement Crawley's "One Town" Economic Recovery Plan, which sets out our commitment for Crawley's future socio-economic prosperity, a clear path for recovery from the pandemic and a marker to Crawley's formidable reputation for economic productivity. Enable support measures to diversify the local economy and building economic resilience in the borough.
- Deliver the Crawley Growth Programme and Crawley Towns Fund Programme to provide major improvements to the town's infrastructure, including significant sustainable transport enhancements and better business, skills and community facilities.
- Unlock pathways to better job opportunities for local residents, by working with employers on apprenticeship schemes and refreshing Crawley's Employment and Skills Programme and continuing its delivery. Deliver the outcomes within the Shared Prosperity Fund Investment Plan.
- Continue to work closely with our Local Economic Partnerships to boost sustainable business growth, attract new jobs investment and empower the local resident workforce.
- Utilise our place making responsibilities and powers to drive sustainable growth, enhance Crawley as a place to do business and support economic growth through technology and hyper digital connectivity.
- Work with partner organisations to support the green transformation of Crawley's economy and invest in the skills required to deliver this.

4. Reconnecting communities

We will:

- Support local groups in delivering a range of events and activities that celebrate Crawley's diversity, encourage tolerance and cohesion, and re-connect people with their wider community.
- Continue to help local voluntary and community sector organisations, through the grants process and other support to provide important services to residents.
- Continue to work proactively with our partners to sustain Crawley as a safe place to live, work and visit.

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- Promote and facilitate opportunities for our residents to have their voices heard over how services are delivered, through a range of community engagement channels, including neighbourhood forums.
- Enable early intervention and support to households who are financially or socially vulnerable, through the delivery of the Shared Prosperity Fund Investment Plan and Access Crawley.
- Create a Covid-19 memorial to remember those we have lost and those whose lives have been permanently impacted by the pandemic.

5. Providing high quality leisure and culture facilities and supporting health and wellbeing services

We will:

- Continue to invest in and enhance the town's leisure, wellbeing and culture facilities and services, such as local parks and open spaces, Nature Centre, sports & playing pitches, play areas, K2 Crawley, the Hawth and outreach play service.
- Build on the success of Tilgate Park and the Nature Centre and continue to invest in the town's parks starting with Goffs Park improvements.
- Work with partners, residents and other key stakeholders to enhance our resident's health and wellbeing and reduce health inequalities across our town. Encourage services back to Crawley Hospital and address GP shortages in provision across the borough.

6. Protecting the environment

We will:

- Protect and enhance our environment by reducing the Council's and the town's Carbon footprint, through the delivery of the Climate Emergency Action Plan.
- Complete the feasibility of developing the phase 2 expansion of the town centre District Heat Network. Subject to the outcome of the feasibility study, progress the business case and development of the phase 2 expansion of the Heat Network.
- Continue to reduce, reuse and recycle our waste, providing the mechanisms to encourage residents to reduce the amount of residual waste they produce.
- Continue to seek measures to improve the air quality across the Borough.
- Revise the Crawley Local Plan 2022- 2037 to ensure that it remains up to date and reflects the key issues and growth challenges facing the town.
- Continue to provide a safe, clean and well-maintained town.
- Strive to deliver commitments to net zero through the Council's housing stock, seeking and maximising opportunities through external funding sources. Encourage the private sector to make changes as well, in consultation with the Council.
- Reduce the consumption of water in the borough and supporting water neutral development through reducing water consumption in the Council's housing stock and buildings.

4. Financial Performance

Revenue Expenditure and Income in 2022/23

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In February 2022 the Council set a net expenditure budget for 2022/23 of £14.3million. This resulted in a Band D Council Tax for Crawley of £218.79 and a total Band D Council Tax including the precepts from West Sussex County Council and Sussex Police and Crime Commissioner of £1,999.44.

	Latest Budget £000's	Outturn £000's	Variance £000's
Cabinet	(4,077)	(3,896)	181
Public Protection & Community Engagement	1,431	1,335	(96)
Environmental Services & Sustainability	5,939	6,195	256
Housing	3,457	5,081	1,624
Wellbeing	10,509	10,449	(60)
Planning & Economic Development	1,965	1,973	8
Resources	3,356	3,485	129
	22,580	24,622	2,042
Depreciation & Impairment	(4,757)	(4,757)	0
Renewals Fund	832	832	0
NET COST OF SERVICES	18,655	20,697	2,042
Investment Interest	(441)	(949)	(508)
MRP	791	791	0
Interest Paid	0	1	1
Council Tax	(7,850)	(7,850)	0
RSG	(63)	(63)	0
NNDR	(3,974)	(3,974)	0
New Homes Bonus	(606)	(606)	0
Service Grant	(251)	(251)	0
Lower Tier Services Grant	(272)	(196)	76
Levy Account Surplus	0	(31)	(31)
Year End Financing	(4,025)	(4,025)	0
Net contribution from / (-to) Reserves	1,964	3,544	1,580

The 2022/2023 budget provided for a transfer from the General Fund Reserve of £451,730. At outturn, there was a transfer from reserves of £2,032,000: this comprised of a contribution of £817,000 from the Covid 19 Expense Reserve and a contribution of £1,215,000 from the General Fund Balance. A summary of all the movements in reserves is shown in the following table:

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Reserves	Transfer to	Use of
	£000's	£000's
Vehicles and Plant	800	(123)
ICT Replacement	100	(45)
Specialist Equipment at K2 and Hawth	100	0
Total Renewals Fund	1,000	(168)
Biodiversity Net Gain Grant	27	0
Business Rates Pool Cycling	0	(30)
Climate Emergency	0	(7)
Council Tax Income Guarantee	0	(41)
Covid Grants Reserve	11	(66)
Defra Environmental Health	0	(13)
Elections New Burdens	10	0
Health & Wellbeing	29	0
Homeless Accommodation Acquisition	0	(585)
Local Development Framework	84	0
Learning And Development	50	0
Licensing New Burdens	4	0
Museum Reserve	11	0
Tilgate Park Investment Reserve	78	(35)
Town Centre 75th Entertainment	0	(5)
Towns Fund	160	(42)
Transformation & Project Delivery	0	(151)
Transparency	8	0
Tree Maintenance	160	(24)
Risk Management	94	0
Welfare Reform	213	(189)
Woodland Trust Forestry Work	14	0
Worth Park HLF Grant	0	(15)
Capital Programme Reserve	58	0
Covid Expense Reserve	0	(817)
General Fund Reserve	1,701	(1,273)
Business Rates Equalisation Reserve	0	(2,962)
Total Transfer to/(from) Reserves	2,712	(6,256)

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Summary of the Housing Revenue Account

The Council continues to be the provider of rental accommodation within the borough with a stock of 8,287 dwellings at 31 March 2023. The Council is required to maintain a separate ring-fenced account to record all the financial transactions relating to those dwellings.

The change in stock can be summarised as follows:

	31 March 2022	31 March 2023
Stock at 1 April	8,242	8,246
Less Sales	(52)	(51)
Demolitions/Disposals	(2)	-
Add New Build	57	91
Acquisitions	1	-
Transfer to/from GF	-	1
Stock at 31 March	8,246	8,287

The income from tenants in council property was £48.3m in the year with other income to the HRA of £3.0m. The council took out loans on 28th March 2012 for £260.325m, borrowed from the Public Works Loan Board (PWLb). Interest on these loans amounted to £8.307m. This payment replaces the negative housing subsidy. As a result there is more certainty within the Housing Revenue Account as interest on the loans has been fixed over 26 years and a robust business plan to invest additional resources in place. Loans outstanding on 31 March 2023 were £249.325m.

The balance was invested in the provision of council housing including management and maintenance of over 8,000 dwellings and over 1,600 leasehold properties. There was a transfer to the Major Repairs reserve in the year of £18.124m for future investment in housing stock.

The Housing Revenue account saw an overspend in year due to increased costs of repairs.

HOUSING REVENUE ACCOUNT			
Expenditure Description	Latest Estimate	Outturn	Variation
	£'000s	£'000s	£'000s
Income			
Rental Income	(48,002)	(48,324)	(322)
Other Income	(2,685)	(3,034)	(349)
Interest received on balances	(305)	(445)	(140)
Total income	(50,992)	(51,803)	(811)
Expenditure			
Employees	4,165	4,211	45
Repairs & Maintenance	13,467	15,176	1,709
Other running costs	2,111	2,879	768
Support services	3,096	3,096	0

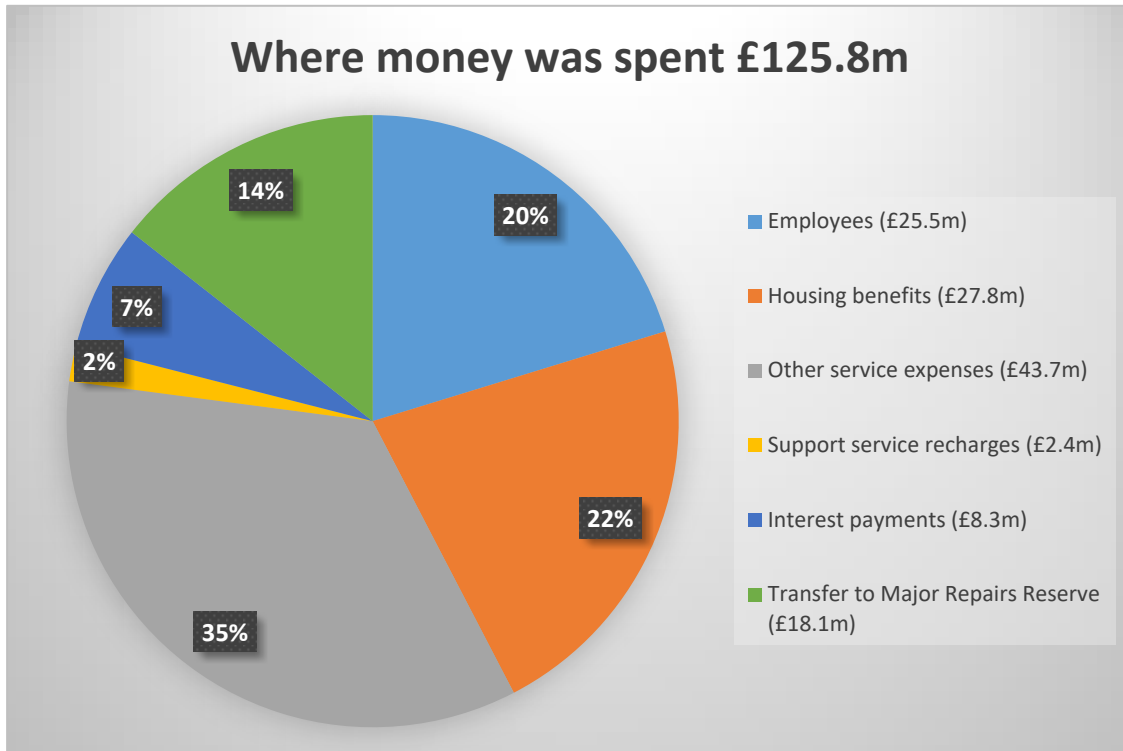
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	22,839	25,362	2,523
Net (Surplus) / Deficit	(28,153)	(26,441)	1,712
Use of Reserves:			
Debt Interest Payments	8,309	8,307	(2)
Depreciation, Revaluation & Impairment	8,192	8,192	0
Financing of Capital Programme & Transfer to Housing Reserve for Future Investment	11,652	9,942	(1,710)
Total	28,153	26,441	(1,712)

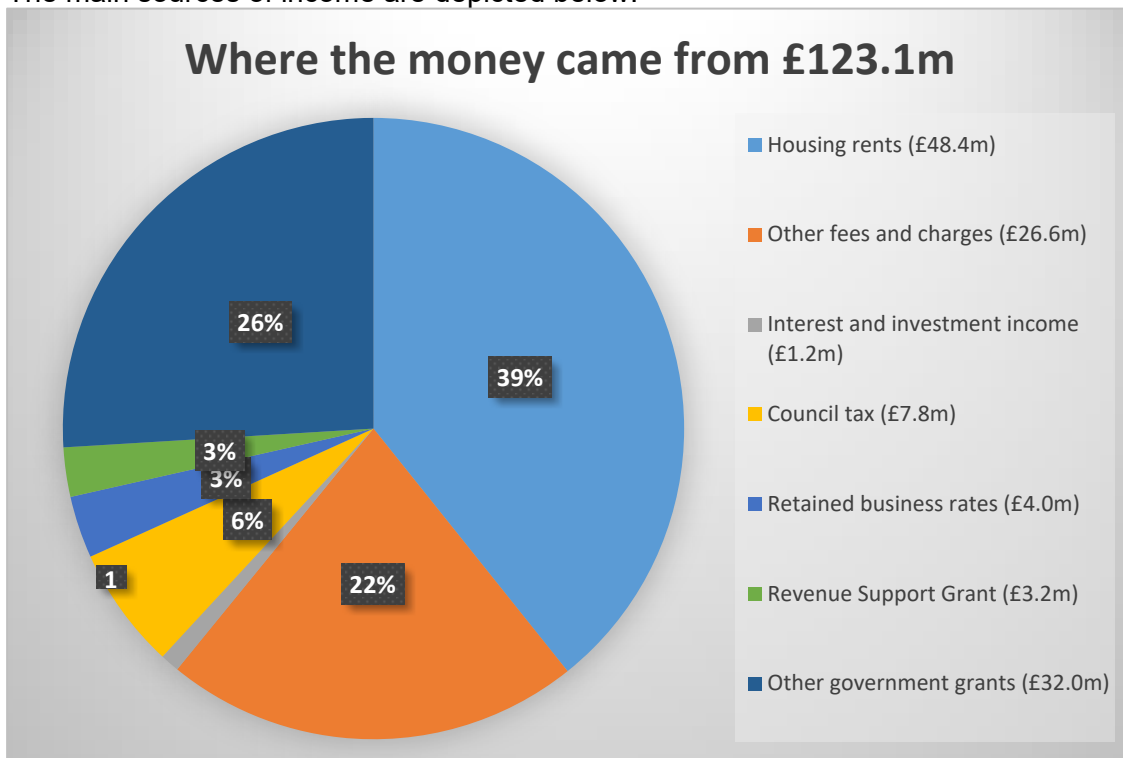
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Total Revenue Expenditure

Overall the Council incurred expenditure in 2022/23 of £125.8m on its services to the public.



The main sources of income are depicted below:



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The tables above are different from the figures reported in the statement of accounts because they have been adjusted from an accounting basis to a funding basis. The net expenditure of £2.7m agrees to the surplus on General Fund and HRA Balance in year as reported in the Expenditure and Funding Analysis and the Movement in Reserves Statement.

Capital Programme

The Council is embarking on an ambitious capital programme of £202m from 2022/23. This includes £131m within Crawley Homes for investment in new and existing housing stock.

In 2022/23 the Council spent £31.565 million on capital assets, which was funded from the sale of assets, capital grants, external funding and revenue resources.

Portfolio Description	Outturn 2022/23 £000's	2023/24 Latest Budget £000's	2024/25 Latest Budget £000's	2025/26 Latest Budget £000's	Future Years £000's
New Town Hall Redevelopment – Joint responsibility	7,442	1,048	100	-	-
Cabinet	428	333	339	300	-
Environmental Services & Sustainability	489	3,546	25	-	-
Planning & Economic Development	1,225	13,958	12,659	6,004	317
Housing Services	1,353	10,651	4,238	-	1,700
Resources	142	2,362	-	-	-
Wellbeing	616	1,541	-	-	-
Total General Fund	11,695	33,439	17,361	6,304	2,017
Housing Revenue Account	19,870	40,385	30,500	30,626	10,112
Total Capital	31,565	73,824	47,861	36,930	12,129

The table below summarises the approved resources available to fund the capital programme.

Funded By					
Capital Receipts	8,038	6,091	5,667	940	1,322
Capital Reserve	-	1,946	314	-	586
Better Care Fund	629	1,280	-	-	-
External Funding	1,593	12,691	8,428	4,999	-
1-4-1 Receipts	2,627	7,999	7,742	6,582	4,045
HRA Revenue Contribution	8,387	26,359	24,485	24,044	6,067
Replacement Fund/Revenue Financing	1,447	4,593	339	300	-
Section 106	146	1,189	886	65	109
Borrowing	8,698	11,676	-	-	-
TOTAL FUNDING	31,565	73,824	47,861	36,930	12,129

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Financial outturn

The table below reconciles the outturn for the General Fund and HRA back to the Expenditure and Funding Analysis.

	General Fund £'000	HRA £'000	Combined £'000
Total Portfolio (General Fund) and HRA Surplus	24,622	(26,441)	(1,819)
Revaluation losses	(2,941)	-	(2,941)
Movement in investment properties	(2,629)	-	(2,629)
Capital grants	1,616	-	1,616
Revenue expenditure funded from capital	(1,272)	-	(1,272)
Pensions	-	-	-
Accumulated absences	(9)	-	(9)
Net Cost of Services in the Expenditure and Funding Analysis	19,387	(26,441)	(7,054)

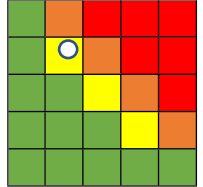
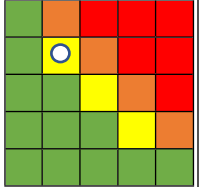
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5. Corporate Risks

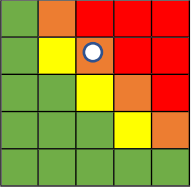
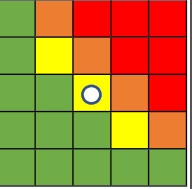
The risks listed below were produced for the Audit Committee in March 2023.

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
New Town Hall	PC has now been achieved and at the time of writing mobilisation is underway. The Council must be out of the current building by late-April or incurs penalties. This is a new building and there are likely to be issues as we settle in. Focus now shifts to agreeing the final account with Kier.	Deputy Chief Executive		<p>Significant planning has been undertaken for mobilisation and the risk of not being out of the current building in time is minimal. Processes in place to deal with any issues arising and messaging to go to staff and members.</p> <p>Mechanisms within the contract are being used to address delay and cost concerns. Significant effort was taken to ensure these were robust before entering the contract. Professional advice being taken throughout, and communication with key stakeholders being maintained. The Council is close to announcing its first commercial tenant, and interest whilst low in numbers has proven strong. A London-based commercial agent has also been appointed to capture companies wishing to move out of the capital.</p>		Mindful

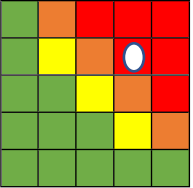
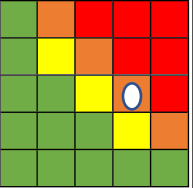
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
District Heat Network	<p>The District Heat Network Phase 1 has reached practical completion and has been handed over. The key risks moving forward therefore relate to the ongoing operation, maintenance, and billing. The inflationary context in particular creates a pricing risk, attempting to ensure value for residents whilst achieving the required return. There is significant reputational risk in getting this balance wrong, especially in the context of potential expansion.</p>	Head of Major Projects & Commercial Services		<p>The operation, maintenance and billing has already been contracted out to a specialist, and the onboarding went very well. Two rounds of price setting have been undertaken, which seems to demonstrate that the DHN is able to balance value with return. However, the score remains consistent given that volatility in energy prices.</p> <p>DHN operation is scheduled to be considered as part of the 2022/23 internal audit plan (Q4).</p>		Mindful

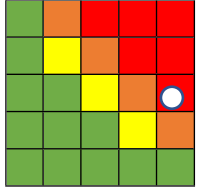
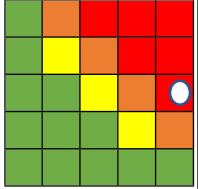
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
LEP Infrastructure - Crawley Growth Programme	<p>Risk of failure to deliver the Crawley Growth Programme due to:</p> <ul style="list-style-type: none"> Budget overspend for the future project delivery within the Programme and scheme delivery time overruns. Discontinuation or withdrawal of support from key partners. A sustained period of economic downturn which slows up private sector investment on key regeneration sites in the town centre. Ineffective co-ordination of delivery across projects, leading to multiple disruption in the town centre and Manor Royal when this was avoidable. 	Head of Economy & Planning		<p>Regular financial monitoring and audit work carried out, including quarterly updates to CPAG. The Head of Corporate Finance attends six weekly Programme Delivery Team meetings with West Sussex County Council.</p> <p>A mid-term programme review was undertaken in Q3 2022 to agree a way forward and delivery programme for the remaining projects. The agreed funding protocol between CBC and WSCC is being updated to reflect that outcome of the review.'</p> <p>Regular project monitoring undertaken by individual Project Boards, the Programme Delivery team with West Sussex County Council and reported to the Crawley Growth Board, chaired by the CBC Chief Executive.</p> <p>Regular interaction to identify and resolve issues promptly at project Board level with the Manor Royal Business District, Network Rail, GTR, Metrobus etc.</p> <p>The target date for delivery of regeneration site outcomes is 2030 to take account of the economic cycle and potential for a sustained downturn, which has been exacerbated by the impact of the COVID-19 crisis nationally and internationally.</p>		Mindful

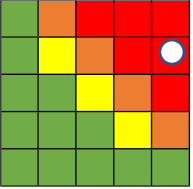
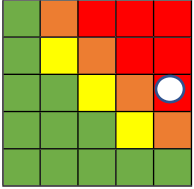
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
				Careful planning and close cooperation between CBC, WSCC officers and third-party partners / contractors. All partners within the Crawley Growth Programme follow a Communications protocol to ensure effective coordination and communications around project delivery.		
Delivering the Affordable Housing Programme	The recent water neutrality position statement issued by Natural England has both immediate and future impacts on the delivery programme. A delay of at least 6 months to schemes due to be starting on site now is expected impacting the delivery of 230 new affordable homes. Additional costs arising from the requirement for schemes to evidence water neutrality through on-site and off-setting measures may impact the viability of schemes and the level of affordable housing that can be delivered.	Head of Strategic Housing Services		<p>Officers are engaged in discussions with Natural England and Southern Water as well as with neighbouring local authorities in seeking to minimise impacts on the delivery programme. Work is underway to quantify and maximise headroom to take forward new development through offsetting measures within existing stock. Supported by external consultancy advice officers are working up proposals to evidence water neutrality for key developments caught by the new requirements.</p> <p>Pilot project in Council's housing stock has generated sufficient water savings to enable development of two key affordable housing sites to be progressed. This work will continue to generate further water savings to support more housing development</p>		Mindful

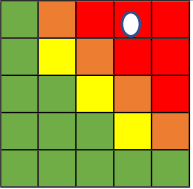
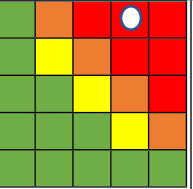
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Delivering the Affordable Housing Programme	Beyond the medium term, the majority of larger sites within the Council boundary that can easily be built upon will have been developed. This will leave smaller sites that are more challenging and contentious in nature and therefore more resource intensive to bring forward or finding other opportunities such as regeneration.	Head of Strategic Housing Services		Work has been undertaken to identify these future sites and opportunities, feeding into the Local Plan, and developing programmes of work. Planning and Housing teams continue to work proactively to maximise opportunities afforded by development within neighbouring Districts and Boroughs adjoining the Council's boundaries. Should the proposal to remove the Duty to Co-operate come into effect this work may be compromised.		Minimalist

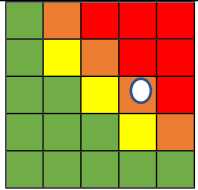
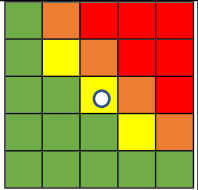
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Homelessness	Following increased demand for temporary accommodation during the pandemic, levels of homelessness continue to rise. The on-going economic impacts from the pandemic, cost of living rises and increased additional demand arising from asylum and refugee resettlement programmes are placing an unprecedented burden on the Council in meeting temporary accommodation duties. Demand for TA significantly outstrips supply necessitating heavy reliance on expensive nightly paid accommodation with significant budgetary implications. The full TA budget allocation for 2022/23 has been fully spent during Q1.	Head of Strategic Housing Services		<p>Efforts to relieve and prevent homelessness using all available options continue. 5 additional units of TA have been secured and negotiations are in progress in relation to a potential further 45 units including acquisition of a 27unit HMO. All potential acquisition opportunities continue to be explored. Three potential sites have been identified for modular housing and consultation in relation to 2 of these sites is being taken forward. The 3rd presents issues that mean securing planning consent will be more challenging.</p> <p>Homelessness grant reserves will offset impacts for the current financial year. Under the new Government formula there has been a significant reduction in Homelessness Prevention Grant allocation for the next 2 years which, although offset by transitional protection arrangements to bring it to existing funding levels still represents a reduction in real terms. Representation is being made to Government.</p>		Mindful

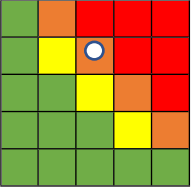
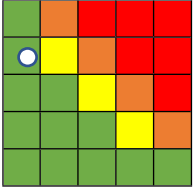
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Migration/Asylum pressures	<p>Currently Crawley is host to a number of individuals either seeking asylum or providing Afghan Bridging accommodation. These are arrangements made directly by the Home Office.</p> <p>In addition, new legislation has recently been passed to provide Chagossians UK Citizenship entitlement from British Overseas Territories. The application process goes live on 23 November. Estimates by the Foreign, Commonwealth & Development Office are that 3,000-5,000 will take up this entitlement with a view to moving to the UK, and that the majority will first head to Crawley due to an already established community in the town. No impact analysis or implementation planning has been put in place by the Government. Potential impacts are wide but none more serious than potential impact on housing and homelessness, in addition to the risks set out in the above entry.</p>	Chief Executive		Representation to Government officials has been made and will be extended to Ministers now they have been appointed. Discussions ongoing.		Cautious

Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Three Bridges Station	A way forward for the scheme is unable to be agreed.	Head of Economy & Planning		<p>A planning application for the scheme was submitted autumn 2022 and will be considered by the Planning Committee in Q4 2022/3. Work is being progressed with Network Rail and GTR on the processing of the Station Change procedure, the completion of which is required prior to the works starting on site. The scheme features as part of the overall Crawley Growth Programme review jointly with West Sussex County Council which took place in Q3 2022. A comprehensive risk register is overseen by the Project Board of the Crawley Growth programme.</p>		Cautious

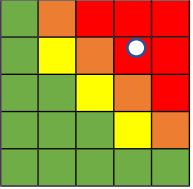
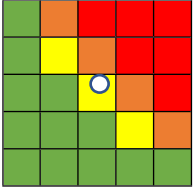
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
<p>Disaster Recovery and Business Continuity - Data Breaches (Technical issue)</p>	<p>Inadequate data sharing and data security arrangements, including failure to maintain public services network accreditation (PSN).</p> <p>Failure to maintain technical security safeguards – e.g. that firewalls are up to date or that the latest advice from NCSC has not been assessed and followed where appropriate.</p>	<p>Head of Digital & Transformation</p>		<p>The Council has made some considerable strides in this area. Most significantly it has re-secured its PSN certification providing assurance that its infrastructure is robust and secure. This will continue to be tested on an annual basis.</p> <p>The migration to the Azure Cloud provides an extremely high level of confidence as it has the weight of Microsoft’s technology and finance to support it and is used globally.</p> <p>MFA (multi-factor authentication) has been rolled out to all staff with network accounts – this was done face to face for complete assurance.</p> <p>Immutable back-ups are being secured for all of CBC’s systems, as recommended by NCSC.</p> <p>The council recruited an Information Security Officer.</p>		<p>Minimalist</p>

Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Disaster Recovery and Business Continuity - Data Breaches (Human error)	<p>Improper disclosure of confidential information (in any format i.e. digital, paper etc.) could bring both financial loss (ICO fines, or worse, a ransomware attack) as well as reputational damage to the organisation.</p> <p>Failure to comply with GDPR legislation could lead to major reputational damage, loss of public confidence and the inability to operate key business processes</p>	Head of Digital & Transformation and Head of Governance, People & Performance (Data Protection Officer)		<p>A recent audit report identified a few areas of weakness, all of which have now been addressed.</p> <p>Training and awareness are key, as well as clear procedures for staff on what to do in the event of suspicious activity or possible breach. Additional training and testing of staff responses (with further training for those that fail) has been commissioned and began rollout in October 22 with a phishing test exercise and training programme.</p> <p>In preparation for the move to the new Town Hall, an Information Management project has been set up to audit all information assets and policies and the Information Governance Board has been refreshed.</p> <p>The council recruited an Information Security Officer</p>		Minimalist
Disaster Recovery and Business Continuity - Health & Safety Breaches	<p>Failure to comply with the requirements set out by Health & Safety legislation which covers the functions of the Council.</p> <p>Lack of clarity and / or understanding regarding the legal duties of Managers to ensure that risk assessments in respect of places, activities and people are regularly undertaken.</p>	Head of Governance, People & Performance		<p>Review the council's Health & Safety Handbook for Employees and Health & Safety Policy. Provide training where appropriate.</p> <p>Evaluate the Council's Health & Safety compliance status.</p> <p>Implement a Health & Safety Action Plan for compliance.</p>		Minimalist

Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Maintaining a balanced budget	A balanced budget is not achieved in the Medium Term, resulting in an increased use of reserves, which is not sustainable.	Head of Corporate Finance		<p>Quarterly budget monitoring reports are submitted to Cabinet and Overview & Scrutiny Commission, the cost-of-living crisis, increased pay offer and a high number of homeless placements has resulted in a projected in year overspend. This impacts on future years. A challenge of budgets exercise has taken place to identify savings, efficiencies, and increased income in order to mitigate future budget gaps of £413,080.</p> <p>Budget projections will be constantly monitored, an all-Member seminar took place on 5th January 2023 updating Members on the moving position of budgets and future gaps. The budget report FIN/606 to Cabinet on 1 February identifies a savings target of £701,000 for future years. This target is considerable and public consultation of options for savings may have to be considered.</p>		Mindful

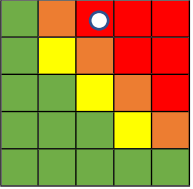
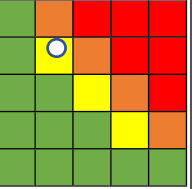
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Organisational Capacity, Recruitment & Succession Planning	<p>Failure to recruit and retain a range of employees including:-</p> <p>1) professional roles e.g. lawyers, accountants, planners, EHOs</p> <p>2) manual / front facing roles e.g. Civil Enforcement Office's, Community Wardens, Neighbourhood Services</p>	Head of Governance, People & Performance		<p>HR is undertaking benchmarking exercise to ensure that the Council is 1) aware of market salaries and trends and 2) may consider measures which might make it more competitive with the view to attracting quality candidates.</p> <p>People Board and HR Team working on developing the Council's "Employer Value Proposition". This will shape future recruitment campaigns and communications with existing staff.</p> <p>HR are working closely with managers to ensure that they properly plan and execute a professional recruitment campaign including quality, modern adverts and better communication and feedback with candidates before, during and after the process.</p> <p>Address the skills gap (and therefore lack of candidates) in the market by potentially "growing our own" experienced staff</p>		Mindful
Organisational Capacity, Recruitment & Succession Planning Key staff retirement	Impact of ageing workforce and an increase of key staff retiring.	Head of Governance, People & Performance		<p>Managers need to undertake PDRs and have open and honest discussions with reports. They should be aware, in advance, of upcoming events e.g. retirements and be planning for recruitment / stepping up / reassigning duties with an appropriate knowledge handover, exit interview etc</p>		Mindful

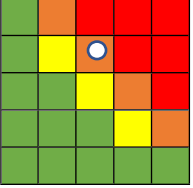
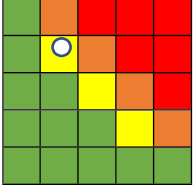
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Climate Emergency	<p>Failure to reduce carbon emissions by at least 50% and as close to net zero as possible by 2030.</p> <p>Failure to achieve carbon zero by 2040 at the latest.</p>	Head of Economy & Planning		<p>The Council's Climate Change Emergency Action Plan is in place.</p> <p>Officers will be drawing on funds from within the agreed Council budget for 2023-2024 to progress the delivery of Climate Change Action Plan tasks and the Council's carbon emissions reductions targets.</p> <p>Indications are that HMG will reduce intervention to support this work moving forward, reducing the availability of external funding, and increasing the risk of not being able to deliver on key aspects of the plan.</p>		Mindful
National Waste Strategy (including Food Waste)	<p>The National Waste & Resources Strategy is delayed which may impact on the Waste Contract.</p> <p>Letter received from DEFRA in December 2022 indicating the Government response will be released in the 'near future' If released in early 2023, it will provide a basis to plan any mandated changes to the collection regime.</p>	Head of Major Projects & Commercial Services		To be closely monitored. It seems likely that the Strategy will mandate changes to refuse and recycling collections including the introduction of a mandatory weekly food waste collection. However, the delay in the publication of the National Waste Strategy constrains the ability to amend the specification in advance of the contract re-procurement.		Mindful

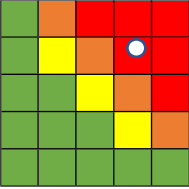
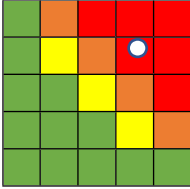
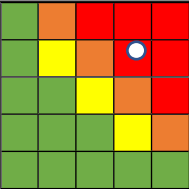
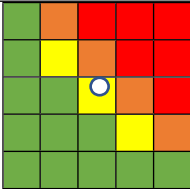
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Local Plan	Failure to adopt the Local Plan within the timeframe set by the government	Head of Economy & Planning		<p>The Crawley Local Plan review was delayed due to the need to demonstrate Water Neutrality for all planned development within the Sussex North Water Resource Zone, cumulatively across all the Plans in the area. A Water Neutrality Strategy to support the emerging Local Plans has been prepared with the other authorities within the area, and this has been endorsed by Natural England. An Offsetting Implementation Scheme now needs to be established to deliver the agreed policy approach, which must be in place to support the Local Plan at Examination. A Project Manager has been appointed working across all the councils to progress this work. The Viability Assessment for the Local Plan was updated, taking account of the Water Neutrality requirements, other evidence has been updated due to the time delay and the Local Plan has now been formally approved by Full Council to progress to a further Regulation 19 Consultation in May 2023. Representations made to the Plan will then be considered through independent Examination, with interested parties (including those supporting and objecting) and the council questioned by the Inspector who can also query any part of the Plan they wish. The Inspector may find the Local Plan unsound or propose modifications to make it sound. At that point, modifications would then have to be subject to further public consultation and the Plan with any</p>		Cautious

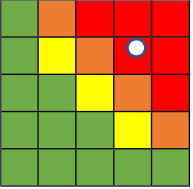
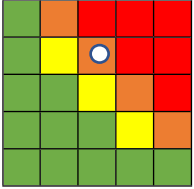
Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
				modifications would then have to be approved by Full Council.		
Water Neutrality	Failure to agree a Water Neutrality Strategy	Head of Economy & Planning		<p>A Water Neutrality Strategy to support the emerging Local Plans has been prepared with the other authorities within the area, and this has been endorsed by Natural England following work between the affected council officers and Chief Executives, Natural England, Southern Water, the Environment Agency and government representatives. These parties continue to meet regularly to secure the Offsetting Implementation Scheme. This now needs to be established to deliver the agreed policy approach and enable all the planned development to come forward, following the success of pilot schemes progressed in Crawley with off-site offsetting secured through retro-fitting that has reduced water use in Crawley Homes stock. A Project Manager has been appointed working across all the councils to progress this work. The Council's screening proforma with Natural England enables most householder and minor planning applications to proceed to decision without hindrance. Some developers are securing their own private offsite offsetting measures which is also enabling some limited development to take place where these satisfy the Natural England's water neutrality requirements.</p>		Cautious

Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Cost of Living	Impact of more residents presenting themselves as homeless and being unable to pay their debts.	CMT		<p>A webpage has been created https://crawley.gov.uk/council-information/help-money-worries designed to direct people to help.</p> <p>Home visits are taking place where the council is aware that someone is claiming Universal Credit but has not responded to requests for them to claim Council tax reduction. Claims then are being fast tracked. Debt officers are discussing a range of payment plans to manage debt. Modelling work being investigated to identify those that are not currently in debt but are likely to become so.</p> <p>Staff have been trained on Breathing Space. Reserves review taking place to identify reserves to support people being impacted by the cost of living. A project will take place to look at ways of helping to support people, this will include the Wellbeing bus. Will lever in community and voluntary sector support.</p>		Mindful
Towns Fund and related programmes	Risks associated with the delivery of this programme are mainly centered around budget overspend and timescales exceed beyond the Towns Fund end date. A detailed risk register has been produced for each project within the programme.	Head of Economy & Planning		Regular financial monitoring and project monitoring undertaken by the Towns Deal Board and relevant project boards. The Head of Corporate Finance attends the s151 officer meetings involving other local authorities with Towns Fund programmes. Internal assurance is via the Corporate Projects Assurance Group (CPAG), through quarterly reporting on programme / risk updates.		Mindful

Narrative Report (Continued)

Risk Title	Risk Description	CMT Owner	Risk score (no controls)	Mitigations	Risk score (post mitigation)	Risk Appetite
Damp and Mould	<p>Unprecedented demand for residents in Crawley Homes and in the private sector for advice, support, inspections and repairs relating to damp and mould following the death of Awaab Ishak in Rochdale.</p> <p>Demand for services is impacting on business-as-usual service delivery.</p> <p>Unable to secure temporary surveying resources.</p> <p>Potential for cases being triaged incorrectly and failure to address structural issues.</p> <p>Risk of regulatory involvement.</p>	Head of Crawley Homes		<p>Workflows have been amended for call triage and inspections. Additional sub-contractors have been taken on to reduce the wait time for damp and mould treatment. Inspections are prioritised with building surveyors where structural issues are diagnosed. Pro-active work underway to contact all tenants who have reported damp and mould in the last five years to make sure it has not re-emerged.</p> <p>Continued efforts to attempt to secure additional resource, including outside of the Council's usual framework for procuring temporary staff.</p>		Mindful

Narrative Report (Continued)

6. Summary Position

Whilst the Council's financial and non-financial performance in 2022/23 continues to be good, there are cost pressures that will continue to provide significant challenges in 2023/24 and beyond. Inflation remains high, pushing up the cost of contracts, and homelessness costs remain high. The Council has made efficiency savings and additional income and the Council has sufficient reserves and balances to provide financial resilience for 2023/24 and future years.

There are risks as highlighted above, but there are well established and robust risk management processes in place and, together with robust financial management and reporting, the Council faced a strong position as it moved into 2023/24. These will be assessed during 2023/24 and appropriate steps will be taken to manage council finances going forward.

7. Explanation of the Financial Statement

The Statement of Accounts for 2022/23 have been prepared in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) and show the financial performance of Crawley Borough Council for the year, together with its overall financial position as at 31 March 2023. The purpose of the published statement of accounts is to give local taxpayers, Council Members, stakeholders and other interested parties clear information about the Council's finances. It therefore aims to provide information so that these stakeholders can:

- Understand the overarching financial position of the Council
- Have confidence that the public money with the Council has been entrusted and has used has been accounted for in an appropriate manner
- Be assured that the financial position of the Council is safe and secure

The style and format of the accounts complies with CIPFA standard and is similar to that of previous years.

The accounts provide the reader with information on the cost of services provided by the Council in the year 2022/23, how these services were paid for and a statement of the Council's assets and liabilities at the year end.

The Council's financial report consists of three reports:

- The Narrative Report (this statement)
- The Annual Governance Statement
- The Statement of Accounts

The Annual Governance Statement identifies the systems that the Council has in place to ensure that its business is conducted in accordance with the law and proper standards and that public money is safeguarded.

The Statement of Accounts are presented in the following order:

- Statement of Responsibilities for the Statement of Accounts

This identifies the officer who is responsible for the proper administration of the Council's financial affairs.

Narrative Report (Continued)

- Main Financial Statements

Expenditure and Funding Analysis

This statement takes the net expenditure that is chargeable to taxation/rents and reconciles it to the Comprehensive Income and Expenditure Statement.

Comprehensive Income and Expenditure Statement

The purpose of this account is to report income and expenditure relating to all the services provided by the Council and how the net cost of those services has been financed by local taxpayers and the Government.

Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. These are different from the statutory amounts required to be charged to the General Fund Balance and the Housing Revenue Account for council tax setting and dwellings rent setting purposes.

Balance Sheet

This statement shows the balances and reserves at the Council's disposal as well as the liabilities as at 31 March 2023. It also summarises the fixed and current assets used to carry out the Council's functions.

Cash Flow Statement

This statement summarises the inflows and outflows of cash arising from the transactions with third parties for revenue and capital purposes. It differs from other accounts in that creditors and debtors are excluded.

- Notes to the Main Financial Statements

The explanatory notes in this section are largely prescribed by the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) issued by the CIPFA/LASAAC Local Authority Code Board. Additional notes have been provided wherever possible to assist understanding of the financial statements.

- Supplementary Financial Statements

Housing Revenue Account

This account shows the major element of expenditure on the provision of Council housing and how this has been financed by rents and other income.

Collection Fund

The Collection Fund summarises the income received from taxpayers for council tax and business rates and its distribution to precepting bodies. The precepting bodies for council tax are Crawley Borough Council, West Sussex County Council and Sussex Police and Crime Commissioner. Business rates are distributed to Crawley Borough Council, West Sussex County Council and Central Government.

- Glossary of Terms

A glossary of the most commonly used technical terms in these accounts is provided.

Narrative Report (Continued)

8. Change in accounting policies

In 2022/23 the Council voluntarily applied IRFS 16 Leases as permitted by the Code of Practice for Local Authority Accounting in the United Kingdom. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (i.e., without recognising the leased property as an asset and future rents as a liability) a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2022. Leases for items of low value and lease that expire on or before 31 March 2021 are exempt from the new arrangements.

This has resulted in the following additions to the balance sheet:

- £44,000 Property, plant and equipment – land and buildings (right-of-use assets)
- £13,000 Non-current creditors (lease liabilities)
- £31,000 current creditors (lease liabilities)

9. Further Information

Further information about the 2022/23 Statement of Accounts is available from:

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Paul Windust
Chief Accountant
Date: 31st May 2023