

## **Appendix 1 – BHE Contingency Funds 2022/23**

### **BHE Central Provision**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>               | <b>Activity</b>         | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|----------------------------------|-------------------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision                |                         |                        | 850                     |
|                      |                        | <b>Total provision</b>           |                         |                        | <b>850</b>              |
| 27/04/2022           | Committee              | Tower Bridge Project Coordinator | Tower Bridge Operations | 43                     |                         |
|                      |                        | <b>Total allocations</b>         |                         |                        | <b>43</b>               |
|                      |                        | <b>Uncommitted balance</b>       |                         |                        | <b>807</b>              |

### **Apprentice costs provision**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>                     | <b>Activity</b> | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|--|-----------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision                      |                 |                        | 142                     |
| 27/04/2022           | Committee              | 1 x Business Administration Apprentice | BHE Admin       | 27                     |                         |
|                      |                        | <b>Uncommitted balance</b>             |                 |                        | <b>115</b>              |

### **Joint Projects with City Corporation**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>         | <b>Activity</b> | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|----------------------------|-----------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision          |                 |                        | 50                      |
|                      |                        | <b>Uncommitted balance</b> |                 |                        | <b>50</b>               |

### **Investment Properties - refurbishment of void spaces**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>         | <b>Activity</b> | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|----------------------------|-----------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision          |                 |                        | 500                     |
|                      |                        | <b>Uncommitted balance</b> |                 |                        | <b>500</b>              |

### **Climate Action Strategy**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>               | <b>Activity</b> | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|----------------------------------|-----------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision                |                 |                        | 500                     |
| Pending              | Committee              | CAS accelerated year 2 programme |                 | 123                    |                         |
|                      |                        | <b>Uncommitted balance</b>       |                 |                        | <b>377</b>              |

### **Inflationary increases**

| <b>Date Approved</b> | <b>Approval method</b> | <b>Description</b>         | <b>Activity</b> | <b>Amount<br/>£000</b> | <b>Balance<br/>£000</b> |
|----------------------|------------------------|----------------------------|-----------------|------------------------|-------------------------|
| 10/03/2022           |                        | 2022/23 provision          |                 |                        | 1,259                   |
|                      |                        | <b>Uncommitted balance</b> |                 |                        | <b>1,259</b>            |

The 2022/23 BHE Contingency Fund provision is comprised of:

- a) £50k for joint projects with the City Corporation, held to enable smooth decision making for cross-cutting City Corporation projects that affect all three funds, enabling the Finance Committee to consider the impact of the total request. The BHE Board approves its portion of any such joint project.
- b) £142k for the salaries of 4 apprentice posts. Staff can complete a form to apply for funding from the BHE Apprentices Contingency Fund, to be endorsed by

their department Director and with final approval being made by the Managing Director of BHE.

- c) £500k of revenue spend relating to the Charity's Climate Action Strategy. This will be funded from the Strategy's overall designated fund of £15m, created following Court approval in March 2022.
- d) £500k to allow for the refurbishment of premises during void periods to improve the property's energy rating and maximise the appeal and therefore the income from potential tenants. These funds will only be utilised if voids increase during the year from that within the original budget.
- e) With current levels of UK inflation higher than in recent years, potential inflationary increases of up to 5% for all BHE operational spend, amounting to £1.3m is provided for. This is consistent with the approach taken for inflationary increases to all funds across the Corporation. BHE departments will be invited to apply for funds to cover the cost of inflationary increases in their budgets later in the financial year once impacts become apparent.