

RECOMMENDED that:

- (a) the Council be recommended to approve the estimates as detailed in Appendices A and B;**
- (b) the Council be recommended to approve a revenue contribution to capital of £1,467,977;**
- (c) the Council be recommended to note the use of the General Fund reserve;**
- (d) the Council be recommended to set the rate of council tax for 2021/22 for a band D property at £143.24;**
- (e) the Council be recommended to authorise the Director of Finance to make the allocation of funds to the salary budgets once the basis of pay awards has been finalised; and**
- (f) a full fees and charges benchmarking exercise to be undertaken prior to the setting of the 2022/23 budgets is endorsed.**

Purpose

To set out the Council's overall revenue budget for 2021/22 and to enable the Cabinet to recommend to the Council the council tax rate to be set for 2021/22.

For Members' information Appendices A to D relate to this report.

2021/22 Estimates – General Context and Overview

The revenue estimates are set within the framework of the Medium Term Financial Strategy (MTFS) which outlines the underlying assumptions upon which the estimates are based and also sets out the core principles that the Council's financial decisions should support. The estimates are also a key component of ensuring the delivery of the Council's objectives and corporate priorities as set out in the Corporate Plan.

The 2021/22 estimates have been prepared against the backdrop of the Covid-19 pandemic and its impact on the Council's finances and the wider economy – both locally and nationally.

Whilst the support provided by government could result in the current year not seeing significant unplanned use of the general fund reserve, ongoing restrictions and the impact on the wider economy mean that the effects will continue to be felt in future years. This is likely to be via reduced collection rates for council tax and business rates, reduced fees and charges income and, most significantly a considerable reduction in the income generating abilities of the Council's leisure sites. All of these factors have been considered when preparing the estimates presented in this report.

Budget Summary

The proposed revenue estimates for 2021/22 are summarised in appendix A and also in the following table.

	2020/21 £000	2021/22 £000
Expenditure		
Chief Executive	4,214	4,832
Environmental Services	6,518	6,937
Finance	(1,788)	(1,724)
Legal Services	0	0
Net cost of services	8,944	10,045
Sport and Leisure Services (surplus)/deficit	(237)	1,434
Reversal of capital charges	(3,439)	(4,296)
Investment interest income	(260)	(35)
Badger BC Investments Ltd interest	(415)	(459)
Interest payable on loan	420	310
Contributions to/(from) earmarked reserves	1,181	(108)
Financing of capital expenditure	1,931	1,468
Contributions to/(from) the General Fund reserve	0	(551)
Total expenditure	8,125	7,808
Funding		
New Homes Bonus	492	227
Lower Tier Services Grant	0	100
Covid-19 Funding – 21/22	0	515
Revenue Support Grant	0	55
Retained business rates	2,595	2,690
Council tax	4,900	4,918
Collection fund surplus/(deficit)	138	(697)
Total funding	8,125	7,808
Estimated general fund balance at 31 March	6,181	5,630

Presentation and analysis of movements in budgets from 2020/21 to 2021/22

Appendix B presents the 2021/22 budgets by service area with movements from the 2020/21 original budget analysed into the categories described below. The majority of changes from the previous year relate to specific decisions or influences. Explanations are provided for significant movements.

- **Inflation:** This represents costs which cannot be avoided, e.g. annual contract increases, general price inflation, pay awards and changes to tax, national insurance and pension contribution rates.
- **Increases in fees and charges:** To improve transparency, increases (or decreases) in the level of fees and charges are shown separately from cost inflation.

- **Changes in demand for services:** These represent the effect on the cost of providing services or the income generated, resulting from an increase or decrease in customer take up of services.
- **Removal of one-off costs:** Certain costs, for example the budget created in 2020/21 to fund the VE Day Celebrations, will not occur every year. The removal of such costs is shown in this category.
- **Legislative/statutory changes:** Changes in legislation or other statutory requirements may result in changes in costs or income.
- **New initiatives:** This represents the effect in 2021/22 of service developments that have been committed to or are proposed.
- **Efficiency savings:** These can arise from efficiency improvements, for example as a result of service reviews, more effective service provision, reorganisation of service delivery or economies in the procurement of services.
- **Transfers and accounting changes:** These represent movements in budgets due to changes in accounting methods and transfers within and between cost centres, as well as movements in internal costs and capital charges.
- **Salary growth:** This category contains movements in salaries for reasons other than the salary inflation allowance, for example salary progression arrangements and posts recruited to on salaries that are higher than were previously paid.

Key Budget Risks and Assumptions

There is inevitably an element of risk within any budget. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of estimates made for the purposes of calculating the Council's budgets.

The Director of Finance has given careful consideration to the proposed estimates and particularly to the elements of risk associated with those estimates and is satisfied that, within the normal and acceptable degree of uncertainty which is inevitably involved in preparing estimates, they represent a robust position on which the Council may rely in setting its budget and council tax. In preparing the estimates for 2021/22, prudent and realistic assumptions have been made on levels of pay awards and price increases and the financial implications of known service development plans have been incorporated in the revenue budget. Current and previous years' experience has been assessed as part of the budget setting process and appropriate actions taken.

The key issues which have impacted on the 2021/22 revenue estimates are as follows:

- **Additional employee costs:** The budget includes £380k for recruitment of staff to increase productivity, increase capacity to deliver the corporate objectives and to provide additional skills.
- **Commercial property:** The budget reflects the acquisition of the Pavilions in Waltham Cross which will provide additional annual rental income of £1.5m. However, this will be offset by managing agents' fees of £215k and an allowance for up to 30% of the units being vacant of £458k.

- ***Broxbourne Sport:*** The COVID-19 pandemic has had a significant impact on the operation of all the Council's leisure facilities therefore it is not anticipated that the management fee of £520k will be paid to the Council in 2021/22.

The key assumptions which have been made when preparing the 2021/22 estimates are set out below:

- ***Inflation assumptions:*** Cost inflation has been provided at 0.5% in line with the Medium Term Financial Strategy assumption. Where known, inflationary increases for specific items have been allowed for, for example some contracts allow for an inflationary increase in line with RPI.
- ***Managed vacancy factor:*** An allowance of 3% is included in the budget, which reflects the savings that result from temporary vacancies which occur while positions are being filled.
- ***Pay awards:*** The budgets presented in this report include a provision for a 2% increase in the overall salary budget (including National Living Wage increases).

Whilst action has been taken to minimise the risk remaining in the budget, there inevitably remains an element of risk in any budget. The Council must ensure that significant risks in the budget are identified and that the reserves and balances that it maintains are adequate to meet these risks. Set out below are what are considered to be the key budget risks for 2021/22:

- ***Rents, sales, fees and charges:*** The proportion of the Council's costs that are funded by income from rents, sales and fees and charges is significant and as such, maintaining levels of external income in the current economic climate is a significant risk within the Council's estimates. As outlined above the impact of Covid-19 pandemic will result in reduced levels of income. A prudent approach has therefore been taken with regard to the proposed budgets for income from fees and charges with each category of charge being reviewed in the context of the pandemic's impact. This has resulted in the budgets have being reduced by £100k in relation to pay and display income and £100k for car park season ticket income. Reduced demand for hall hire at Bishops College has also been reflected in the budget (£34k).
- ***Income from investment properties:*** One of the Council's key income streams is the income it receives from its investment properties. In order to mitigate against the risk of this income reducing as a result of a downturn in the commercial rental market the Council has budgeted to set aside £450k per year into the rental protection reserve which could be drawn upon in the event of a significant drop in the rental income received. The current pandemic has not significantly affected rental income however this will be monitored through the year as a high risk area.

Fees and Charges

The fees and charges for 2021/22 were approved by the Council at its meeting of 3 November 2020. In order to ensure that the Council continues to maximise the income it can generate from fees and charges, whilst ensuring that they deliver value for money for customers, a benchmarking exercise will be undertaken during 2021/22. The results of this will be used to inform the process of setting the fees and charges for 2022/23.

Broxbourne Sport and Broxbourne Leisure and Culture Estimates

The Broxbourne Sport and Broxbourne Leisure and Culture Estimates are detailed at Appendix C.

As outlined in the introduction the pandemic has had a significant impact on operations at the Council's Leisure Centres. Closures and on-going safety restrictions have meant that the income projected to be received in 2020/21 is considerably less than was budgeted. Whilst the roll out of vaccinations offers hope that the leisure centres and golf course will be able to open and operate on a more normal basis from late spring or summer, it will take time for memberships and pay as you go users to return to pre-pandemic levels. Therefore, a prudent approach has been taken to setting the budgets for the sports sites.

Work is ongoing to enable the Spotlight to reopen once it is safe to do so. It is unlikely that any income generating events will be able to be held until the second half of the 2021/22 financial year, however, costs will be incurred in the run up to reopening as staff are employed and preparations made.

The projected combined deficit for Broxbourne Sport and Broxbourne Leisure and Culture for 2021/22 is £1,434k; this is compared to a budgeted surplus in 2020/21 of £237k and a forecast deficit for 2020/21 of £1,668k.

It is proposed that the Broxbourne Sport and Broxbourne Leisure and Culture reserve be used to fund this deficit with the balance being funded by the General Fund Reserve.

Reserves and Balances

As well as service specific contributions to reserves, the 2021/22 budget proposes the following general contributions:

	£000
Brookfield reserve	422
Rental protection reserve	450
	872

The contribution to the Brookfield reserve is a continuation of the policy agreed as part of the 2018/19 budget setting process that contributions be made, when possible and up to a maximum level of £5m, to an earmarked reserve to be used to support the delivery of the Greater Brookfield project. The budgeted contribution will increase the total amount set aside to £4.5m.

The rental protection reserve was established as part of the 2020/21 budget setting process with the aim of setting funds aside to be drawn upon in the event of a significant drop in commercial rental income. The budgeted contribution will bring the balance on the reserve to £1.5m which represents 17% of the Council's budgeted investment property income.

The Director of Finance as Chief Finance Officer is required to review and report on the adequacy of the financial reserves, taking account of the strategic, operational and financial risks facing the Council.

Reserves may be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows – this forms part of general reserves;
- A contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
- A means of building up funds to meet known or predicted requirements. Earmarked reserves are accounted for separately but remain part of the General Fund.

Earmarked Reserves

Over several years, the Council has established a number of financial reserves earmarked to provide sums for unforeseen or unexpected events and also to build up over a period of time sufficient resources to pay for repairs to Council buildings and other infrastructure. As at 31 March 2020, earmarked revenue reserves and general balances totalled £22.7 million.

	£000
Earmarked revenue reserves	16,547
General Fund balance	6,181
	22,728

The main earmarked general fund revenue reserves, their value as at 31 March 2020 and the purposes for which they are held are as follows:

- Personnel reserve (£0.29 million) - to provide for unforeseen personnel related expenditure.
- Economic development reserve (£0.50 million) - to invest in the economic well-being of the Borough.
- Repairs and renewals fund (£0.99 million) - to fund any major maintenance works on the Council's assets which does not qualify as capital expenditure.
- Service protection and enhancement fund (£3.29 million) - to help protect essential services over the coming years, when it is known that financial pressures will increase further.
- Service specific grants reserve (£3.26 million) – grants received in advance of expenditure being incurred but which have to be recognised as income in the year they are received.
- Housing and Planning Delivery Grant Reserve (£0.81 million) – to fund expenditure associated with the delivery of the Local Plan.
- Park Lane footbridge (£0.32 million) – to fund the construction of a footbridge over the railway at Park Lane.
- Brookfield reserve (£3.70 million) – to fund the future relocation of the Council's depot and allotments.
- Rental income protection reserve – (£0.59 million) to be drawn upon in the event of a significant drop in the commercial rental income the Council receives.
- Community Safety Project Reserve – (£0.14 million) to fund community safety initiatives and projects identified by the Council.
- Collection Fund Reserve – (£2.54 million) to be used to smooth the impact of any significant drop in the business rates and council tax income.

In addition to the general fund reserves detailed above, the Council also holds earmarked reserves relating to Broxbourne Sport and Broxbourne Leisure and Culture (Leisure Management Reserve) and Environmental Services.

At 31 March 2022, all earmarked capital and revenue reserves, which are listed at Appendix D, are expected to total £17.4 million. The Director of Finance has considered the level and purpose of the reserves currently held by the Council and is satisfied that these are adequate. It is recommended that the minimum level of reserves set by the Council at its meeting on 1 March 2017 of £9 million for revenue (including the General Fund reserve) and £5 million for capital purposes should be maintained.

General Fund Balance

As well as reviewing the level of specific reserves as described above, the Council is also required as part of the budget setting process to assess the adequacy of unallocated general reserves, i.e. General Fund balances. There is no theoretically correct level of General Fund balances because the issues that affect the Council's need for reserves vary over time. It is necessary to consider the strategic, operational and financial risks facing the Council in order to assess the adequacy of balances. At 31 March 2020 the General Fund balance was £6.2 million (or 69% of the net cost of services, based on 2020/21). However, as highlighted above, it is proposed to use £0.6m of this reserve to fund the projected deficit in Broxbourne Sport and Broxbourne Leisure and Culture which will result in a balance of £5.5 million as at 31 March 2022. This is the first time that the General Fund reserve has been used in over 10 years.

The Director of Finance considers this balance adequate to allow the risks facing the Council to be managed without adversely affecting the Council's services or its financial stability.

A contingency budget of £200k has been included in the estimates to allow for additional budget requirements which may be identified during the year.

Service Organisation Reserves

The Council operates part of its activities as a trading operation or service organisation (SO), namely Broxbourne Sport and Broxbourne Leisure and Culture. Along with the Environmental Services reserve, these are used to fund capital expenditure for these services.

The Sport and Leisure Management reserve will be severely depleted by the end of the current financial year. This is because it will be used to fund the losses the Council's sport and leisure sites have incurred as a result of the on-going Covid-19 safety restrictions. The projected deficit for 2021/22 means that the reserve will have reduced to a nil balance by 31 March 2022. This means that any equipment purchases required by the sites will need to be funded from the Council's general capital resources. As the usage of the sport and leisure sites begins to return to pre-pandemic levels, any surpluses made by the sites will be used to replenish the reserve.

Revenue funding of capital expenditure

For many years, the Council has funded part of its capital programme from revenue contributions at least equivalent to the returns earned on its cash investments. This is a fundamental element of the Council's financial strategy which ensures that the Council does

not rely on its cash investment returns to finance ongoing revenue expenditure and means that services are not put at risk as a result of fluctuations in interest rates and investment balances. The continuing low bank rate emphasises the wisdom of this long-standing policy. Interest on cash investments is estimated to be £35k in 2021/22 compared to a projected outturn of £100k in the current year compared to a budget of £260k. The treasury management strategy for 2021/22 appears elsewhere on this agenda.

In formulating the Council's Medium Term Financial Strategy, the assumption was made that no New Homes Bonus (NHB) would be utilised within the base budget. It is proposed that, in view of the scale of the Council's capital commitments over the medium term and the risk that NHB may decrease further, that NHB continues to be used to fund capital expenditure.

As in previous years, the revenue income received from the Fawkon Walk investment properties will be used to fund capital expenditure.

In total, therefore, a revenue contribution to capital of £1.5 million is proposed in 2021/22.

New Homes Bonus

The provisional settlement has indicated that the Council will receive £227k in New Homes Bonus (NHB). This is a decrease of £265k from 2020/21. However, as detailed above, all of the NHB the Council receives will be used to fund the capital programme by way of the revenue contribution to capital expenditure.

Other Grant Funding

In recognition of the fact that the impact of the Covid-19 pandemic will continue into the next financial year, the Government has announced two, grants that will be made to councils.

The first of these is specific to District and Borough Councils and is the Lower Tier Services Grant of £100k. This is a non-ringfenced grant (i.e. it can be used in whatever way each Council deems is appropriate) and therefore, has been used in the 2021/22 budgets in the same way as Revenue Support Grant.

In addition, the Council will receive £515k to be used to fund any additional costs as a result of the pandemic. In preparing the budgets, it has been assumed that this will be used to reduce the contribution required from the General Fund Reserve to offset the losses from the Council's leisure sites. However, this will be monitored throughout the year and if the Council does incur additional Covid-related costs, the grant funding will be used to offset these.

Council tax rate 2021/22

The provisional local government finance settlement confirmed that district councils can increase their council tax rates by a maximum of £5 a year.

It is proposed that the Cabinet recommends to Council that the rate of council tax for a Band D property in 2021/22 be increased by £5 a year (3.6%) to £143.24.

Total income from council tax in 2021/22, after allowing for 5% non-collection, is £4,917,877 an increase of £17,741 compared to 2020/21.

Business Rates

In the 2021/22 financial year, the Council will be part of a business rates pool with Hertfordshire County Council and five other district councils. Initial modelling for the pool indicates that the Council could benefit from additional income in the region of £400k. As this is projected income and can be influenced by various factors, most notably the pandemic, it has not been included in the proposed 2021/22 budget, but once the amount of additional income is confirmed and received (at the end of the 2021/22 financial year), it will be put into a reserve to support on-going regeneration or economic development projects within the Borough.

Collection fund

The Council has a statutory requirement to maintain a separate Collection Fund which records transactions relating to business rates and council tax. The surplus or deficit on the Collection Fund is apportioned between the billing and precepting authorities. The estimated surplus or deficit is calculated in the January preceding the financial year to which it relates. Any surplus or deficit is transferred to the General Fund.

In recognition of the fact that the Covid-19 pandemic has impacted on the collection rates for local taxation and that local authorities are therefore likely to face significant deficits on their collection funds, the government has introduced regulations which require any deficits at the end of the 2020/21 financial year to be spread over the following three years, rather than the impact being in 2021/22.

Based on the latest projections, Broxbourne's share of the combined deficit (i.e. for both council tax and business rates) on the collection fund in 2021/22 will be £710k. This will be funded from the Collection Fund Reserve.

Financial, Legal and Risk Management Implications

Any financial, legal and risk management implications are set out in the report. The report fulfils the requirement of Section 25 of the Local Government Act 2003 for the Chief Finance Officer to report on the robustness of the estimates made for the purposes of calculating the Council's budget and on the adequacy of proposed financial reserves.

Equalities Implications

Any changes to services as a result of the proposals included in the 2021/22 estimates will be subject to separate reports and any equalities implications will be considered as part of this process.

Contribution to the Council's Objectives including Environmental Sustainability

The revenue estimates support all of the Council's objectives.

Conclusion

The proposed budget is balanced and proportionate and demonstrates the strong financial position that the Council is in and its on-going commitment to invest in services to increase productivity and efficiency.

Contact Officer:
Mrs R Keene (Ext. 5871)
Mrs G Berry (Ext. 5808)

List of Background Papers
Estimate working papers held by Financial Planning and Reporting.

SUMMARY OF GENERAL FUND ESTIMATES 2021/22**INCREASE IN 2020/21 BAND D COUNCIL TAX OF £5 TO £143.24**

GROUP	Expenditure £	2021/22 Income £	Net £	2020/21 Net £
Chief Executive	6,709,523	(1,877,865)	4,831,658	4,214,216
Environmental Services	11,626,318	(4,688,726)	6,937,592	6,518,282
Finance	50,135,033	(51,859,130)	(1,724,097)	(1,787,804)
Legal Services	516,026	(516,026)	-	-
NET COST OF SERVICES	68,986,900	(58,941,747)	10,045,153	8,944,694
Deficits/(Surpluses) on Sport and Leisure services	1,434,728	-	1,434,728	(236,531)
Reversal of Capital Charges	-	(4,295,545)	(4,295,545)	(3,439,611)
Interest and Investment Income	-	(35,000)	(35,000)	(260,000)
Badger BC Investments Ltd interest	-	(458,722)	(458,722)	(415,000)
Interest Payable on Loan	310,000	-	310,000	420,000
Covid Lower Tier Grant	-	(100,000)	(100,000)	-
Covid-19 Funding – 21/22	-	(514,688)	(514,688)	-
New Homes Bonus	-	(227,164)	(227,164)	(491,525)
NET OPERATING EXPENDITURE	70,731,628	(64,572,866)	6,158,762	4,522,027
Contributions to/(from) Sport and Leisure Reserves	-	(282,713)	(282,713)	236,531
Contributions to/(from) Other Earmarked Reserves	871,989	(697,183)	174,806	943,689
Financing of Capital Expenditure	1,467,977	-	1,467,977	1,930,695
Contribution to/(from) General Fund Balance	-	(551,405)	(551,405)	-
BOROUGH'S NET BUDGET	73,071,594	(66,104,167)	6,967,427	7,632,942
Financed by:				
Revenue Support Grant	-	(55,368)	(55,368)	-
Retained Business Rates	13,949,554	(15,487,610)	(1,538,056)	(2,104,646)
Section 31 Grant (Business Rates)	-	(1,153,309)	(1,153,309)	(1,654,872)
Council's share of Collection Fund deficit/(surplus)	-	-	697,183	1,026,712
NET COST MET FROM COUNCIL TAXES	87,021,148	(82,800,454)	4,917,877	4,900,136

Reconciliation of 2019/20 Retained Business Rates figure to consolidated figure in 2019/20 reports:

2019/20 Retained Business Rates	(2,104,646)
Section 31 Grant	(1,654,872)
Business Rates Collection Fund deficit	1,164,075
	<u>(2,595,443)</u>

Revised General Fund Balance

	£
At 1st April 2020	(6,180,866)
Budget contribution for 2020/21	-
Budget contribution for 2021/22	551,405
Balance at 31st March 2022	(5,629,461)

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

APPENDIX A

Actual 2019/20	Original Estimate 2020/21		Chief Executive	Environmental Services	Finance	Legal Services	Estimate 2021/22	Change from 2020/21
£	£		£	£	£	£	£	£
		EXPENDITURE						
		Direct Operating Costs						
7,823,952	8,087,684	Employees	2,212,170	918,712	5,293,290	283,624	8,707,796	620,112
4,683,857	4,847,135	Land & Building Related Costs	16,227	600,734	4,266,730	0	4,883,691	36,556
70,428	98,019	Transport & Plant	17,850	42,485	71,491	2,200	134,026	36,007
6,018,236	5,565,935	Supplies & Services	2,045,942	629,922	3,237,282	93,295	6,006,441	440,506
67,390	75,600	Elections	75,600	0	0	0	75,600	0
9,380,849	9,863,199	Agency & Contracted Services	91,882	8,241,603	1,865,094	0	10,198,579	335,380
0	0	Highways Agency	0	0	0	0	0	0
29,094,917	38,030,215	Benefits Payments	0	0	30,030,215	0	30,030,215	(8,000,000)
2,674,019	830,740	Provisions	0	119,423	275,600	0	395,023	(435,717)
59,813,648	67,398,527	Total Direct Operating Costs	4,459,671	10,552,878	45,039,703	379,119	60,431,371	(6,967,156)
1,050,679	727,573	Internal Costs	191,629	33,670	468,727	49,693	743,718	16,145
3,894,690	3,439,611	Capital Charges	912,150	841,413	2,541,982	0	4,295,545	855,934
64,759,017	71,565,711	GROSS EXPENDITURE	5,563,449	11,427,961	48,050,411	428,812	65,470,634	(6,095,077)
		INCOME						
		External Income						
(30,306,529)	(38,491,880)	Government Grants	(8,000)	0	(30,389,377)	0	(30,397,377)	8,094,503
(5,232,545)	(4,379,668)	Other Contributions & Grants	(53,540)	(2,027,602)	(1,540,266)	(157,350)	(3,778,758)	600,910
(9,633,570)	(10,101,512)	Rents	0	(64,424)	(11,145,409)	0	(11,209,833)	(1,108,321)
(942,734)	(827,233)	Sales	(4,240)	(864,840)	(600)	0	(869,680)	(42,448)
(6,883,037)	(6,243,722)	Fees & Charges	(882,861)	(1,402,590)	(4,410,492)	(46,514)	(6,742,458)	(498,735)
(460)	0	Interest	0	0	0	0	0	0
(44,558)	(33,382)	Agency Reimbursements	0	(69,414)	0	0	(69,414)	(36,032)
(53,043,434)	(60,077,396)	Total External Income	(948,641)	(4,428,870)	(47,486,145)	(203,864)	(53,067,519)	7,009,877
(2,694,574)	(2,080,716)	Internal Income	(574,521)	(259,857)	(787,826)	(115,580)	(1,737,784)	342,932
(55,738,007)	(62,158,112)	GROSS INCOME	(1,523,162)	(4,688,727)	(48,273,970)	(319,444)	(54,805,303)	7,352,809
9,021,009	9,407,599	NET EXPENDITURE (Ex support costs)	4,040,287	6,739,235	(223,559)	109,368	10,665,330	1,257,732
3,414,258	3,492,633	Support Service Costs	1,146,074	198,357	2,084,621	87,214	3,516,266	23,633
(3,699,467)	(3,955,538)	Less Support Service Income	(354,703)	0	(3,585,159)	(196,582)	(4,136,444)	(180,907)
465,415	661,389	Departmental Support Costs	223,924	245,769	201,749	0	671,442	10,053
(465,415)	(661,389)	Departmental Support Income	(223,924)	(245,769)	(201,749)	0	(671,442)	(10,053)
8,735,801	8,944,694	NET COST OF SERVICES	4,831,658	6,937,592	(1,724,097)	0	10,045,153	1,100,459

REVENUE ESTIMATES 2021/22 - ANALYSIS OF MOVEMENT FROM 2020/21
(BY SERVICE AREA)

APPENDIX B

Actual 2019/20	Original Estimate 2020/21		Inflation	Increases in fees and charges	Changes in demand for services	Removal of one-off costs/income	Legislative/statutory changes	New initiatives	Efficiency savings	Revenue implications of approved capital projects	Transfers in/out	Accounting Changes	Salary growth	Difference in pay award	Estimate 2021/22	Change from 2020/21
£	£		£	£	£	£	£	£	£	£	£	£	£	£	£	£
		Chief Executive														
0	0	Communications and Community Liaison	2,559	(6,043)	0	0	0	0	(7,000)	0	17,145	5,184	0	0	11,845	11,845
0	0	Graphic Design	758	(398)	0	0	0	0	0	0	1,076	217	0	0	1,653	1,653
113,889	188,013	Economic Development	1,499	(840)	0	0	0	(21,924)	0	0	18,219	1,241	0	0	186,208	(1,805)
1,696,900	653,177	Infrastructure, Regeneration and Special Projects	3,360	0	0	0	0	15,000	0	0	2,929	(44)	0	0	674,422	21,245
1,233,407	1,666,029	Corporate Management	5,632	0	0	0	15,000	52,000	0	53,000	8,889	3,780	0	0	1,804,370	138,301
436,179	571,936	Democratic Representation and Management	3,230	0	0	(9,910)	0	3,500	(50,000)	0	(30,491)	(8,887)	0	0	479,378	(92,558)
376,406	276,112	Elections	827	0	0	0	0	0	0	0	(1,336)	(199)	0	0	275,404	(708)
(11,933)	(7,059)	Land Charges	654	0	0	0	0	0	0	0	18,993	4,987	0	0	17,575	24,634
(10,842)	2,173	Licensing	1,179	0	0	0	0	0	0	0	3,624	1,064	0	0	8,040	5,867
57,301	100,865	Grants	438	0	0	0	0	0	(30,000)	0	15,312	4,418	0	0	91,033	(9,832)
610,456	416,521	Planning and Building Control	8,248	(4,170)	(30,000)	0	0	4,917	0	0	7,359	2,871	0	0	405,746	(10,775)
310,103	346,450	Planning Policy	4,198	0	5,000	0	0	0	0	0	2,700	1,373	0	0	359,721	13,271
0	0	Movement in Capital Charges	0	0	0	0	0	0	0	0	0	486,784	0	0	486,784	486,784
0	0	Movement in Central Service Recharges	0	0	0	0	0	0	0	0	0	29,520	0	0	29,520	29,520
4,811,867	4,214,216	Total Chief Executive	32,582	(11,451)	(25,000)	(9,910)	15,000	53,493	(87,000)	53,000	64,419	532,309	0	0	4,831,658	617,442
		Environmental Services														
71,735	337,563	Refuse	6,500	0	1,170	0	0	0	0	0	(289,967)	0	0	0	55,266	(282,297)
(1,240,471)	(885,449)	Recycling	0	(97,106)	34,029	0	0	0	0	0	(33,127)	0	0	0	(981,653)	(96,204)
(46,710)	(134,312)	Street Cleansing	0	(2,627)	4,627	0	0	0	0	0	(250)	0	0	0	(132,562)	1,750
(91,056)	(74,028)	Markets	19	0	(5,000)	0	0	0	0	0	0	0	0	0	(79,009)	(4,981)
1,714	(1,284)	Stray Dogs	0	0	334	0	0	0	0	0	0	0	0	0	(950)	334
34,342	18,485	Highways	815	0	1,559	0	0	0	(7,655)	0	2,359	243	0	0	15,806	(2,679)
129,719	108,178	Community Safety	1,039	(1,889)	0	0	0	10,000	0	0	(375)	179	0	0	117,132	8,954
128,188	112,190	Town Centres	643	863	0	0	0	0	(15)	0	906	162	0	0	114,749	2,559
330,270	252,617	Parks	2,554	(4,980)	90	0	0	30,000	0	0	(445)	0	0	0	279,836	27,219
(178,045)	(189,269)	Grounds Maintenance	0	0	(25,000)	(650)	0	0	0	0	(506)	0	0	0	(215,425)	(26,156)
(366,421)	(345,644)	Cemeteries	659	(12,540)	0	0	0	0	0	0	932	0	0	0	(356,593)	(10,949)
344,163	391,517	Environmental Health	5,370	(50)	3,300	0	0	0	0	0	27,761	9,036	0	0	436,934	45,417
(2,517)	(8,934)	Environmental Health Licensing	89	(2,355)	0	0	0	0	0	0	(329)	(1,287)	0	0	(12,816)	(3,882)
117,508	167,732	Housing Standards	1,150	(592)	0	0	0	0	0	0	(24,881)	(5,374)	0	0	138,035	(29,697)
6,844,764	6,768,921	Environmental Services Admin	161,016	0	0	0	0	150,000	0	0	365,341	7,832	0	0	7,453,110	684,189
0	0	Movement in Capital Charges	0	0	0	0	0	0	0	0	0	100,225	0	0	100,225	100,225
0	0	Movement in Central Service Recharges	0	0	0	0	0	0	0	0	0	5,507	0	0	5,507	5,507
6,077,183	6,518,282	Total Environmental Services	179,854	(121,276)	15,109	(650)	0	190,000	(7,670)	0	47,419	116,523	0	0	6,937,592	419,309

REVENUE ESTIMATES 2021/22 - ANALYSIS OF MOVEMENT FROM 2020/21
(BY SERVICE AREA)

APPENDIX B

Actual 2019/20	Original Estimate 2020/21		Inflation	Increases in fees and charges	Changes in demand for services	Removal of one-off costs/income	Legislative/statutory changes	New initiatives	Efficiency savings	Revenue implications of approved capital projects	Transfers in/out	Accounting Changes	Salary growth	Difference in pay award	Estimate 2021/22	Change from 2020/21
£	£		£	£	£	£	£	£	£	£	£	£	£	£	£	£
		Finance														
		Financial Planning and Reporting and Revenue Services														
312,263	845,028		12,569	(14,942)	0	0	0	380,000 ¹²	(20,000) ¹³	0	(130,632)	(4,280)	0	0	1,067,743	222,716
104,710	101,432	Treasury, Risk and Insurance	2,031	(20,521) ¹⁴	11,500	0	0	0	0	0	(16,065)	(4,383)	0	0	73,994	(27,438)
0	0	Internal Audit	5,679	(6,908)	0	0	0	0	0	0	8,425	1,885	0	0	9,081	9,081
0	(0)	Computer Services	42,662	(5,910)	0	0	0	0	0	0	(20,000)	0	0	0	16,752	16,752
0	(0)	Personnel	4,259	(9,762)	5,400	0	0	0	0	0	3,654	(378)	0	0	3,173	3,173
0	(1)	Customer and Office Services	6,697	(11,157)	245	0	0	2,500	(1,700)	0	9,050	2,535	0	0	8,170	8,170
348,330	313,859	Community Development	3,067	(1,200)	18,300	0	0	35,000 ¹⁵	0	0	3,153	808	0	0	372,987	59,128
446,781	471,977	Homelessness	6,560	0	0	0	0	0	0	0	14,453	2,023	0	0	495,013	23,036
601,825	603,653	Hostels	61,330	(83,549) ¹⁶	500	0	5,300	2,910	0	0	(9,116)	1,899	0	0	582,927	(20,726)
345,184	615,059	Housing Department Admin	3,372	0	0	0	0	0	0	0	3,188	1,112	0	0	622,731	7,672
28,342	(3,194)	Housing Options	0	0	0	0	0	0	0	0	5,444	0	0	0	2,250	5,444
0	0	Central Control	0	0	0	0	0	0	0	0	0	0	0	0	0	0
104,503	103,583	Community Planning	1,181	0	0	0	0	0	0	0	858	375	0	0	105,997	2,414
0	0	Transport	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(5,879)	46,960	Benefits Administration	20,441	0	0	0	0	0	0	0	0	0	0	0	67,401	20,441
553,632	144,145	Rent Allowance	0	0	0	0	0	0	0	0	0	0	0	0	144,145	0
22,377	567,169	Local Tax Collection	15,233	0	0	0	0	0	0	0	20,000	0	0	0	602,402	35,233
1,262,032	1,246,936	Sports Facilities	726	0	0	0	0	1,200	0	0	0	0	0	0	1,248,862	1,926
356,403	342,107	Community Halls	453	0	0	0	0	0	0	0	0	0	0	0	342,560	453
19,686	3,962	Sports - Leased Facilities	0	(350)	0	0	0	0	(4,489)	0	0	0	0	0	(877)	(4,839)
150,377	153,195	Lowewood Museum	0	0	0	0	0	0	(83,419) ¹⁷	0	0	0	0	0	69,776	(83,419)
0	(0)	Leisure Central Support	2,466	0	0	0	0	0	(125,985) ¹⁸	0	(13,642)	(3,797)	0	0	(140,958)	(140,958)
(476,498)	(519,851)	Broxbourne Sport Management Fee	0	0	519,851 ¹⁹	0	0	0	0	0	0	0	0	0	0	519,851
(290,023)	(364,590)	Parking	10,383	(35,090) ²⁰	85,392 ²¹	0	0	0	(21,000) ²²	0	(5,347)	(4,155)	0	0	(334,407)	30,183
(6,028,518)	(6,309,767)	Commercial Property	12,890	0	630	0	0	11,219	0	(894,595) ²³	4,852	1,303	0	0	(7,173,468)	(863,702)
(9,437)	(149,465)	Operational Property	6,218	(3,900)	33,954 ²⁴	(17,000)	0	0	0	0	6,655	1,702	0	0	(121,836)	27,629
0	0	Movement in Capital Charges	0	0	0	0	0	0	0	0	0	268,925	0	0	268,925	268,925
0	0	Movement in Central Service Recharges	0	0	0	0	0	0	0	0	0	(57,438)	0	0	(57,438)	(57,438)
(2,153,910)	(1,787,804)	Total Finance	218,217	(193,289)	675,772	(17,000)	5,300	432,829	(256,593)	(894,595)	(115,070)	208,136	0	0	(1,724,097)	63,708
		Legal Services														
662	(0)	Legal Services	4,612	(6,894)	0	0	0	0	0	0	3,232	1,313	0	0	2,263	2,263
0	0	Movement in Central Service Recharges	0	0	0	0	0	0	0	0	0	(2,263)	0	0	(2,263)	(2,263)
662	(0)	Total Legal Services	4,612	(6,894)	0	0	0	0	0	0	3,232	(950)	0	0	0	0
8,735,801	8,944,694	Total General Fund	435,265²⁵	(332,910)	665,881	(27,560)	20,300	676,322	(351,263)	(841,595)	0	856,018²⁶	0	0	10,045,153	1,100,459

BUDGET 2021/22 – SIGNIFICANT MOVEMENTS BY SERVICE AREA

APPENDIX B

Service Area	Ref	£	Details of Significant Movements
Economic Development	1	(21,924)	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • Contribution from the Local Enterprise Partnership to fund 50% of an existing Economic Development Officer post.
Corporate Management	2	52,000	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • £50k additional budget to allow the procurement of personnel related consultancy advice. • One off payment of £2k towards East of England Local Government Association Pension deficit.
	3	53,000	<p><i>Revenue implications of approved capital projects</i></p> <ul style="list-style-type: none"> • Additional computer licence fees for customer services management software (CXM £12k and CMS £23k), Modern.gov (£12k) and single point hosted address base which is used for postcode lookups on the Council's website (£6k).
Democratic Representation and Management	4	(50,000)	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • Contribution from s106 receipts to fund environmental initiatives as described in the sustainability strategy.
Grants	5	(30,000)	<p><i>Efficiency savings</i></p> <ul style="list-style-type: none"> • Reduction in budget available to the Grants Panel (aligned with actual grants awarded).
Planning and Building Control	6	(30,000)	<p><i>Changes in demand for services</i></p> <ul style="list-style-type: none"> • Additional income from major planning applications (in line with actual income).
Recycling	7	(97,106)	<p><i>Increase in fees and charges</i></p> <ul style="list-style-type: none"> • Increase in income as a result of increasing the green waste subscription by £6 per bin.

BUDGET 2021/22 – SIGNIFICANT MOVEMENTS BY SERVICE AREA

APPENDIX B

Service Area	Ref	£	Details of Significant Movements
Recycling continued	8	34,029	<p><i>Changes in demand for services</i></p> <ul style="list-style-type: none"> • Additional income of £25k from green waste charges as a result of more subscribers. • Overall loss of £84k recycling incentive payments from Hertfordshire County Council (HCC). • Additional waste disposal contribution income of £36k from HCC. • Overall reduction in income of £7k from recycling credits and sales of recyclable goods. • Additional costs of £5k as a result of CCTV monitoring being introduced at Neighbourhood Recycling Centres.
Parks	9	30,000	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • Additional bedding plants and enhancements to the flower beds within the parks.
Grounds Maintenance	10	(25,000)	<p><i>Changes in demand for services</i></p> <ul style="list-style-type: none"> • Additional £25k income received from HCC to pay for grounds maintenance work carried out on their property.
Environmental Services Administration	11	150,000	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • Increase in contract price of Broxbourne Environmental Services Trading Ltd (BEST Ltd) to reflect the need to hire an additional freighter and employ additional staff as a result of the change in waste disposal point.
Financial Planning and Reporting and Revenue Services	12	380,000	<p><i>New initiatives</i></p> <ul style="list-style-type: none"> • Budget for recruitment of staff in areas where additional skills or resource is required.

BUDGET 2021/22 – SIGNIFICANT MOVEMENTS BY SERVICE AREA

APPENDIX B

Service Area	Ref	£	Details of Significant Movements
Financial Planning and Reporting and Revenue Services continued	13	(20,000)	<i>Efficiency savings</i> <ul style="list-style-type: none"> Reduction in budget for apprenticeship levy payments (to align with actual payments).
Treasury, Risk and Insurance	14	(20,521)	<i>Increase in fees and charges</i> <ul style="list-style-type: none"> Increase in fee charged to BEST Ltd to reflect increase in insurance premiums as a result of claim history.
Community Development	15	35,000	<i>New initiatives</i> <ul style="list-style-type: none"> £45k for development of a Cultural Strategy. £10k additional grant income to support the Get Healthy, Keep Active initiative.
Hostels	16	(83,549)	<i>Increase in fees and charges</i> <ul style="list-style-type: none"> £80k additional income from an increase in hostel rents. £4k additional income as a result of increasing service charges to a level closer to full cost recovery.
Lowewood Museum	17	(83,419)	<i>Efficiency savings</i> <ul style="list-style-type: none"> Savings resulting from the establishment of a trust to run the Lowewood museum.
Leisure Central Support	18	(125,985)	<i>Efficiency savings</i> <ul style="list-style-type: none"> Removal of budgets for marketing and marketing staff who support the Spotlight (salaries will be paid directly by the Spotlight). These costs were previously recharged to the Spotlight as a direct operational cost.
Broxbourne Sport Management Fee	19	519,851	<i>Changes in demand for services</i> <ul style="list-style-type: none"> As a result of the impact of operating restrictions on the Leisure Centres, resulting in a loss of income, it will not be possible for the management fee to be paid to the Council.

BUDGET 2021/22 – SIGNIFICANT MOVEMENTS BY SERVICE AREA

APPENDIX B

Service Area	Ref	£	Details of Significant Movements
Parking	20	(35,090)	<i>Increase in fees and charges</i> <ul style="list-style-type: none"> Additional income as a result of a 10p increase in pay and display parking tariffs.
	21	85,392	<i>Changes in demand for services</i> <ul style="list-style-type: none"> Reduction in pay and display income of £100k due to reduced car park usage following the Covid-19 pandemic. Reduction in season ticket income of £100k due to changes in working habits resulting from the pandemic. Increase in income of £70k from Penalty Charge Notices. Reduction in profit share the Council pays to Lee Valley Regional Parks Authority of £45k due to the reduced usage of these car parks.
	22	(21,000)	<i>Efficiency savings</i> <ul style="list-style-type: none"> Saving in cash collection costs as a result of cashless parking machines.
Commercial Property	23	(894,595)	<i>Revenue implications of approved capital projects</i> <ul style="list-style-type: none"> Overall additional income of £862k from purchase of the Pavilions. £32k additional rental income as the result of the letting of a new unit at Impresa Park.
Operational Property	24	33,954	<i>Changes in demand for services</i> <ul style="list-style-type: none"> Lower income from hall hire at Bishops College due to a reduction in demand.
Inflation	25	435,265	<i>Summary of changes</i> <ul style="list-style-type: none"> £163k contractual increase to BEST Ltd. £123k pay inflation. £51k contractual rent increase on HUGG units. £47k contractual increase from Sopra Steria contract. £30k Microsoft support and maintenance. £7k utility costs for hostels and sports pavilions (service charges have been increased accordingly).

BUDGET 2021/22 – SIGNIFICANT MOVEMENTS BY SERVICE AREA

APPENDIX B

Service Area	Ref	£	Details of Significant Movements
Inflation continued			<ul style="list-style-type: none"> • £7k tipping charge in respect of trade waste. • £5k business rates in respect of council owned car parks. • £2k other supplies and services.
Accounting Changes	26	856,018	<p><i>Summary of changes</i></p> <ul style="list-style-type: none"> • £856k increase in depreciation charges (this do not affect Council Tax • £25k increase in pension and NI charges as a result of salary inflation. • £25k net decrease in central service recharges.

SUMMARY BROXBOURNE SPORT AND THE SPOTLIGHT 2021/22
COMBINED COST BUDGET SUMMARY

APPENDIX C

2020/21 Budget		Broxbourne Sport	The Spotlight	Total Broxbourne Sport and Spotlight	Change from 2020/21
£		£	£		£
	TRADING OPERATIONS				
	INCOME				
(673,087)	Food and beverages (including lease income)	(253,691)	(128,654)	(382,345)	290,742
(2,588,018)	Fit and Well	(1,540,523)	0	(1,540,523)	1,047,495
(1,421,636)	Wet side	(786,024)	0	(786,024)	635,612
(424,341)	Dry side	(254,960)	0	(254,960)	169,381
(710,801)	Halls	0	(263,403)	(263,403)	447,398
(387,041)	Golf	(381,873)	0	(381,873)	5,168
(107,525)	Other	(41,180)	(32,407)	(73,587)	33,938
(6,312,449)	TOTAL INCOME	(3,258,250)	(424,464)	(3,682,714)	2,629,735
	EXPENDITURE				
2,747,435	Employee costs	2,194,243	398,247	2,592,489	(154,946)
845,932	Premises & rents	712,990	75,368	788,357	(57,575)
6,220	Transport	2,520	2,130	4,650	(1,570)
1,441,110	Supplies & Services	719,726	359,378	1,079,104	(362,006)
5,040,697	TOTAL TRADING COSTS	3,629,479	835,122	4,464,600	(576,097)
520,000	Management Fee	0	0	0	(520,000)
(751,752)	TRADING (SURPLUS)/SUBSIDY	371,229	410,658	781,886	1,533,638 *
	COUNCIL				
(38,000)	Miscellaneous income	(38,000)	0	(38,000)	0
(520,000)	Management Fee	0	0	0	520,000
5,000	Employees	5,000	0	5,000	0
104,800	Business rates	83,372	23,623	106,995	2,195
158,423	Planned and preventative maintenance	136,824	34,854	171,678	13,255
535	Supplies and Services	535	0	535	0
(289,242)	COUNCIL SUBSIDY EXCL RECHARGES & DEPRECIATION	187,731	58,477	246,208	535,450
(1,040,994)	COMBINED (SURPLUS)/SUBSIDY EXCL RECHARGES & DEPRECIATION	558,960	469,135	1,028,094	2,069,088
514,304	Trading support service recharges	495,094	154,096	649,190	134,886
3,820	Trading internal costs	3,143	509	3,652	(168)
10,664	Council support service recharges	8,190	753	8,943	(1,721)
176,621	Council internal costs	200,526	26,537	227,062	50,441
845,082	Depreciation	866,543	267,104	1,133,647	288,565
509,497	COMBINED TRADING & COUNCIL SUBSIDY	2,132,455	918,133	3,050,588	2,541,091
(233,628)	* TOTAL TRADING (SURPLUS)/SUBSIDY	869,466	565,263	1,434,728	1,668,356 *

**BROXBOURNE SPORT 2021/22
COMBINED COST BUDGET SUMMARY**

APPENDIX C

2020/21 Budget		Laura Trott Leisure Centre	John Warner Sports Centre	Cheshunt Park Golf Centre	Broxbourne Sport Total	Change from 2020/21
£		£	£	£	£	£
	TRADING OPERATIONS					
	INCOME					
(328,839)	Food and beverages (including lease income)	(20,446)	(13,647)	(219,598)	(253,691)	75,148
(2,588,018)	Fit and Well	(1,047,894)	(492,629)	0	(1,540,523)	1,047,495
(1,421,636)	Wet side	(353,518)	(432,505)	0	(786,024)	635,612
(424,341)	Dry side	(75,111)	(179,849)	0	(254,960)	169,381
(387,041)	Golf	0	0	(381,873)	(381,873)	5,168
(41,180)	Other	(29,600)	(11,304)	(276)	(41,180)	0
(5,191,055)	TOTAL INCOME	(1,526,569)	(1,129,934)	(601,747)	(3,258,250)	1,932,805
	EXPENDITURE					
2,276,065	Employee costs	1,131,512	814,699	248,032	2,194,243	(81,822)
769,510	Premises & rents	271,929	232,356	208,704	712,990	(56,520)
3,720	Transport	1,680	600	240	2,520	(1,200)
761,845	Supplies & Services	298,975	227,720	193,031	719,726	(42,119)
3,811,140	TOTAL TRADING COSTS	1,704,096	1,275,375	650,008	3,629,479	(181,661)
520,000	Management Fee	0	0	0	0	(520,000)
(859,915)	TRADING (SURPLUS)/DEFICIT	177,527	145,441	48,261	371,229	1,231,144 *
	COUNCIL					
(38,000)	Miscellaneous income	0	(38,000)	0	(38,000)	0
(520,000)	Management Fee	0	0	0	0	520,000
5,000	Employees	5,000	0	0	5,000	0
82,646	Business rates	0	42,377	40,995	83,372	726
131,224	Planned and preventative maintenance	46,600	65,224	25,000	136,824	5,600
535	Supplies and Services	0	535	0	535	0
(338,595)	COUNCIL SUBSIDY EXCL RECHARGES & DEPRECIATION	51,600	70,136	65,995	187,731	6,326
(1,198,510)	COMBINED (SURPLUS)/SUBSIDY EXCL RECHARGES & DEPRECIATION	229,127	215,577	114,256	558,960	1,237,470
392,738	Trading support service recharges	222,532	179,945	92,617	495,094	102,356*
3,280	Trading internal costs	1,926	915	303	3,143	(137)*
8,773	Council support service recharges	4,207	3,983	0	8,190	(583)
157,650	Council internal costs	112,070	61,920	26,537	200,526	42,876
643,482	Depreciation	680,564	122,369	63,610	866,543	223,061
7,413	COMBINED TRADING & COUNCIL SUBSIDY	1,250,425	584,708	297,323	2,132,455	1,605,042
(463,897)	* TOTAL TRADING (SURPLUS)/SUBSIDY	401,984	326,301	141,181	869,466	1,333,363

**THE SPOTLIGHT 2021/22
COMBINED COST BUDGET SUMMARY**

2020/21 Budget £		The Spotlight £	Change from 2020/21 £
	TRADING OPERATIONS		
	INCOME		
(344,248)	Food and beverages	(128,654)	215,594
(710,801)	Halls	(263,403)	447,398
(66,345)	Other	(32,407)	33,938
(1,121,394)	TOTAL INCOME	(424,464)	696,930
	EXPENDITURE		
471,370	Employee costs	398,247	(73,123)
76,422	Premises and rents	75,368	(1,054)
2,500	Transport	2,130	(370)
679,265	Supplies and Services	359,378	(319,887)
1,229,557	TOTAL TRADING COSTS	835,122	(394,435)
108,163	TRADING DEFICIT	410,658	302,495 *
	COUNCIL		
22,154	Business rates	23,623	1,469
27,199	Planned and preventative maintenance	34,854	7,655
49,353	COUNCIL SUBSIDY EXCL RECHARGES & DEPRECIATION	58,477	9,124
157,516	COMBINED (SURPLUS)/SUBSIDY EXCL RECHARGES & DEPRECIATION	469,135	311,619
121,566	Trading support service recharges	154,096	32,530
540	Trading internal costs	509	(31)
1,891	Council support service recharges	753	(1,138)
18,971	Council internal costs	26,537	7,566
201,600	Depreciation	267,104	65,504
502,084	COMBINED TRADING & COUNCIL SUBSIDY	918,133	416,049
230,269	* TOTAL TRADING SUBSIDY	565,263	334,994 *

Earmarked Reserves

APPENDIX D

	Note	31/03/20 £000	Estimated Contribution to Reserve 2020/21 £000	Estimated Expenditure 2020/21 £000	Estimated Balance at 31/03/21 £000	Estimated Contribution to Reserve 2021/22 £000	Estimated Expenditure 2021/22 £000	Estimated Balance at 31/03/22 £000
Capital Reserves								
Capital and Building Works Reserve	1	3,200	0	(575)	2,625	0	0	2,625
		3,200	0	(575)	2,625	0	0	2,625
Revenue Reserves								
Service Protection and Enhancement Fund	2	3,293	0	(50)	3,243	0	0	3,243
Economic Development Reserve	3	505	147	(15)	637	147	(37)	747
Repairs and Renewals Fund	4	999	0	0	999	0	(250)	749
Housing & Planning Delivery Grant Reserve	5	812	0	(184)	628	0	(189)	438
Personnel Reserve	6	291	0	(160)	131	250	0	381
Performance Reward Grant Reserve	7	45	0	0	45	0	0	45
Service Specific Grants Reserve	8	3,266	95	(925)	2,435	0	(1,562)	874
Grave Maintenance Reserve	9	17	0	0	17	0	0	17
Park Lane Footbridge Reserve	10	318	0	0	318	0	0	318
Brookfield Reserve	11	3,700	422	0	4,122	422	(400)	4,144
Lottery Grant Reserve	12	21	6	0	27	6	0	33
Rental Income Protection Reserve	13	590	450	0	1,040	450	0	1,490
Community Safety Projects Reserve	14	142	0	0	142	0	0	142
Collection Fund Reserve	15	2,548	0	0	2,548	0	(710)	1,838
		16,547	1,119	(1,334)	16,332	1,275	(3,148)	14,459
SO Reserves								
Environmental Services Reserve	16	367	461	(185)	643	56	(432)	267
Broxbourne Sport and Broxbourne Leisure and Culture reserve	17	688	0	(405)	283	0	(283)	0
		1,055	461	(185)	925	56	(715)	267
Total Reserves								
		20,802	1,580	(2,094)	19,883	1,331	(3,862)	17,351
General Fund Reserve								
General Fund Reserve		6,181	0	0	6,181	0	(638)	5,544
Total Reserves including General Fund Reserve								
		26,983	1,580	(2,094)	26,064	1,331	(4,500)	22,895

These General Fund reserves are an important way of projecting the Council's current resources into the future and preparing to meet future needs. Their purposes are:

1. Capital and Building Works Reserve - used to finance capital works to the Council's buildings as well as purchases of vehicles, plant and equipment.
2. Service Protection and Enhancement Fund - to protect and enhance services in future years.
3. Economic Development Reserve - used to invest in the future economic wellbeing of the Borough, including its town centres.
4. Repairs and Renewals Fund - to enable accelerated maintenance of revenue generating fixed assets.
5. Housing, Planning Delivery Grant Reserve - to fund future expenditure associated with the Local Plan.
6. Personnel Reserve - to provide for potential personnel related costs.
7. Performance Reward Grant Reserves - to hold performance reward grant funding for future allocation by the Local Strategic Partnership.
8. Service Specific Grants Reserve - grants received in advance of expenditure being incurred but which need to be recognised as income in the year they are received.
9. Money received from individuals to maintain graves in perpetuity.
10. Park Lane Footbridge Reserve - to fund the construction of a footbridge over the railway at Park Lane.
11. Brookfield Reserve - to fund the future relocation of the Council's depot and allotments.
12. Lottery Grant Reserve - contributions received from the Broxbourne Community Lottery, set aside to fund grant applications from local organisations.
13. Rental Income Protection Reserve - to be drawn upon in the event of a significant drop in the commercial rental income the Council receives.
14. Community Safety Project Reserve - to fund community safety initiatives and projects identified by the Council.
15. Collection Fund Reserve - to be used to smooth the impact of any significant drop in the business rates and
16. Environmental Services Reserve - used to finance purchases of vehicles, plant and equipment for Environmental Services.
17. Leisure Management Reserve - used to finance capital works, plant and equipment at the Council's leisure facilities.