

# 2021/22 Year End Revenue Monitor



**BOROUGH OF  
BROXBOURNE**

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## 2021/22 Quarter Four Revenue Monitor

### Introduction

This monitor summarises the year end revenue position for the Council as at the end of the 2021/22 financial year.

The main body of the monitor combines the year end outturn position for the general fund, Broxbourne Sport and the Spotlight to provide an overview of the Council's financial position and the impact of the Covid-19 pandemic. Detailed figures and narrative for each area are contained within the appendices.

The Place Directorate was established in November 2021. However, in order to maintain consistency through the financial year and allow the outturn expenditure figures to be easily compared with the budget that was agreed at the start of the year, this monitor has been presented with the services structured as they were prior to the new directorate being formed.

The Covid-19 pandemic has had a significant impact in year. Despite income budgets being reduced for 2021/22, particularly at the Council's leisure sites and car parks, the actual income was still below these reduced targets. However, this has been offset by grant income received via the government's Income Compensation Scheme.

This document offers a summarised overview of the Council's finances for the financial year. More detailed information can be made available upon request.

## Financial Overview

The following table sets out the Council's projected overall financial outturn position, taking into account the financial support received from central government as at 31 March 2022:

	2021/22 Revised Budget	Outturn as at 31 March 2022	(Under)/Over Spend
	£	£	£
Chief Executive	4,997,361	4,533,734	(463,627)
Environmental Services	6,935,512	6,254,900	(680,612)
Finance	(1,892,746)	(2,649,602)	(756,856)
Legal	0	0	0
<b>Cost of Services (General Fund)</b>	<b>10,040,127</b>	<b>8,139,032</b>	<b>(1,901,095)</b>
The Leisure Centres (Trading Position)			666,695
Cheshunt Park Golf Centre (Trading Position)			65,146
The Spotlight (Trading Position)			448,062
<b>Combined Overall Position</b>			<b>(721,192)</b>
Covid-19 Grant Received			(514,688)
Local Taxation Income Compensation			(12,252)
Income Compensation Scheme			(730,425)
<b>Net Position after Grant Receipt and Income Compensation</b>			<b>(1,978,557)</b>
Contribution to Broxbourne Sport and Broxbourne Leisure and Culture Reserve			730,425
Contribution to Personnel Reserve			248,132
Contribution to Brookfield Reserve			1,000,000
<b>Increase/(Decrease) in the General Fund balance</b>			<b>0</b>

The combined outturn position of the general fund services, Broxbourne Sport and the Spotlight is a surplus of £721k (£291k loss at Q3). This surplus is further increased, to £1,978k, by the grant that has been received from central government to support the Council in its response to Covid-19, the compensation that the Council has received in respect of council tax and business rate income irrecoverably lost during 2020/21 (as a result of the Covid-19 pandemic) and income

compensation of £730k based on the income the Council would have expected to receive before the pandemic.

This additional Covid grant income, totalling £1,257k, will not be repeated in future years and it is proposed to utilise this grant income by making a contribution to the Broxbourne Sport and Broxbourne Leisure and Culture Reserve of £730k, to support the sites in future years, £248k to the Personnel Reserve to support future plans concerning the Council's workforce and the remaining £1m as an additional contribution to the Brookfield Reserve.

A more detailed analysis of impact the pandemic on general fund services is contained in Appendix A. Appendices B and C contain details of Broxbourne Sport and The Spotlight respectively.

## Collection Fund

The Council collects council tax on behalf of Hertfordshire County Council and the Police and Crime Commissioner as well as on its own behalf and non-domestic rates on behalf of Hertfordshire County Council, central Government and itself. These transactions are accounted for within the Collection Fund, which is a separate ring fenced account.

The Council monitors the percentage of council tax and business rates it collects within the year it is due. The table below shows the collection rates as at 31 March for the current year and the previous two financial years.

	2019/20	2020/21	2021/22
	%	%	%
Council Tax	97.5	96.6	96.7
Business Rates	98.4	97.1	97.4

## Assistant Director Resources August 2022

## Appendix A – General Fund Monitor

This appendix provides more details on the final outturn for general fund services.

The following table sets out the general fund outturn position as at 31 March 2022:

	<b>2021/22 Revised Budget</b>	<b>Outturn as at 31 March 2022</b>	<b>(Under)/Over Spend</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Chief Executive	4,997,361	4,533,734	(463,627)
Environmental Services	6,935,512	6,254,900	(680,612)
Finance	(1,892,746)	(2,649,602)	(756,856)
Legal	0	0	0
<b>Cost of Services (General Fund)</b>	<b>10,040,127</b>	<b>8,139,032</b>	<b>(1,901,095)</b>

The Cost of Services for the general fund is showing an underspend of £1,901k. Some of the key items that contribute to this underspend are; additional income received for filming in the Borough (£422k), fewer commercial property voids than expected (£318k), increase in sales income from recyclable material and reduction in recycling credits (£286k), additional income from an increase in the number of burials (£210k) and unused revenue contingency (£84k). The underspend will be used as a contribution to the Council's Brookfield Reserve.

The table on the following pages provides further details of the significant variances between the end of year actual expenditure and the budget set at the start of the year across the service areas.

## Significant variances from budget

Change	Chief Executive £000	Environmental Services £000	Finance £000	Legal £000	Total £000
Unbudgeted fees from companies filming in the Borough; filming fees and rental of Council property.	(60)		(362)		<b>(422)</b>
Fewer voids has led to a net increase in commercial rental income			(318)		<b>(318)</b>
Net increase in sales income from recyclable material and reduction in recycling credits		(286)			<b>(286)</b>
Savings in professional fees; unused feasibility budget (£161k), underspend in transformation programme (£45k),	(206)		(41)		<b>(246)</b>
Increase in income from burial and memorial fees		(210)			<b>(210)</b>
Reduction in fees from BEST Ltd in respect of penalties for underperformance		(202)			<b>(202)</b>
Recovery of court costs			(99)		<b>(99)</b>
Fewer repairs and maintenance works required for commercial properties			(89)		<b>(89)</b>
Reduction in fees charged by Sopra Steria; housing benefit overpayments (£63k), pension contributions for transferred staff (£11k), penalties for under performance of contract (£12k)			(86)		<b>(86)</b>

<b>Change</b>	<b>Chief Executive £000</b>	<b>Environmental Services £000</b>	<b>Finance £000</b>	<b>Legal £000</b>	<b>Total £000</b>
Unused Revenue Contingency			(84)		<b>(84)</b>
Reduction in spend on computer licences and hosting fees			(64)		<b>(64)</b>
Underspend in court fees as a result of not taking legal action during the pandemic against outstanding debts			(55)		<b>(55)</b>
Net increase in income from planning applications, particularly from pre-planning advice fees.	(53)				<b>(53)</b>
Additional grant income received for elections held in prior year	(53)				<b>(53)</b>
Increased income from Ambition Broxbourne Business Centre, Hoddesdon			(50)		<b>(50)</b>
Savings in paper, copier fees and stationery due to hybrid working			(49)		<b>(49)</b>
Additional income receive as a result of sales of small parcels of land			(42)		<b>(42)</b>
Underspend of valuation fees in respect of commercial properties			(41)		<b>(41)</b>
No Mori poll undertaken and one less edition of Our Broxbourne distributed has led to savings	(40)				<b>(40)</b>
Additional income for legal work from B3L				(32)	<b>(32)</b>
Income from Green waste subscriptions higher than expected		(28)			<b>(28)</b>
Additional net income from licences	(20)	(4)			<b>(24)</b>
Underspend on vehicles for mobile locality officers		(23)			<b>(23)</b>

<b>Change</b>	<b>Chief Executive £000</b>	<b>Environmental Services £000</b>	<b>Finance £000</b>	<b>Legal £000</b>	<b>Total £000</b>
CCTV Town Centre security contribution from HCC		(20)			<b>(20)</b>
Lowewood Museum repairs to boiler room			11		<b>11</b>
Net increase in gas and electricity charges for hostel communal areas			34		<b>34</b>
Business rates and council tax due on empty properties			32		<b>32</b>
Reduction in income from HCC tree cutting contract due to loss of trees due to storm damage in the year.		50			<b>50</b>
Backdated and current business rates due on the Lido car park as a result of Valuation Office instruction. A share of this will be recharged to LVRPA.			143		<b>143</b>
Reduction in car park pay and display income			154		<b>154</b>
Net increase in year end bad debt provision, mainly in housing benefit overpayment arrears and council tax			209		<b>209</b>
Other movements in income and costs	(56)		(40)		<b>(100)</b>
Other movements in costs	25	41	28	32	<b>137</b>
<b>Total movement</b>	<b>(464)</b>	<b>(681)</b>	<b>(756)</b>	<b>0</b>	<b>(1,901)</b>

## Appendix B – Broxbourne Sport Monitor

The following table shows the actual outturn position as at 31 March for the Laura Trott Leisure Centre (LTLC), the John Warner Sports Centre (JWSC) and Cheshunt Park Golf Centre (CPGC).

Trading operations (£000)	LTLC	JWSC	CPGC	Total	Budget 2021/22	Variance
Income	(1,227)	(1,078)	(707)	(3,012)	(3,258)	246
Employee costs	897	670	246	1,812	2,194	(382)
Furlough grant income	(16)	(13)	0	(29)	0	(29)
Premises costs	197	274	212	683	713	(30)
Travel costs	1	1	0	2	3	(1)
Supplies and services	298	194	204	697	720	(22)
Total trading costs	1,377	1,125	663	3,164	3,630	(465)
Trading (surplus)/deficit before management fee	150	47	(44)	152	372	(219)
Management fee	0	0	0	0	0	0
<b>Trading (surplus)/subsidy *</b>	<b>150</b>	<b>47</b>	<b>(44)</b>	<b>152</b>	<b>372</b>	<b>(219)</b>
Council	LTLC	JWSC	CPGC	Total	Budget 2021/22	Variance
Employee costs	4	0	0	4	5	(1)
Supplies and services	0	1	0	1	1	0
Business rates	0	40	40	80	83	(3)
Planned and preventative maintenance	46	33	8	87	137	(50)
Management fee	0	0	0	0	0	0
Miscellaneous Income	0	(38)	0	(38)	(38)	0
<b>Council (surplus)/subsidy</b>	<b>50</b>	<b>36</b>	<b>48</b>	<b>133</b>	<b>188</b>	<b>(54)</b>
<b>Combined (surplus)/subsidy before recharges and depreciation</b>	<b>199</b>	<b>82</b>	<b>4</b>	<b>286</b>	<b>559</b>	<b>(273)</b>
Trading support service charges *	268	202	109	580	495	85
Trading internal costs *	0	0	0	0	3	(3)
Council support service charges	7	6	0	13	8	5
Council internal costs	112	62	27	201	201	0
Depreciation	767	110	65	941	867	75
<b>Combined trading and client subsidy</b>	<b>1,353</b>	<b>463</b>	<b>205</b>	<b>2,020</b>	<b>2,132</b>	<b>(112)</b>
<b>Total trading position (surplus)/subsidy *</b>	<b>418</b>	<b>249</b>	<b>65</b>	<b>732</b>	<b>869</b>	<b>(137)</b>

The Laura Trott Leisure Centre and the John Warner Sports Centre both reopened on 12 April 2021. During the year both sites have worked hard to build the membership base back up after losing 50% of members during 2020/21. At the end of March 2022 there was a net increase of

1,829 new members across both sites. The pool at Laura Trott was closed in July 2021, due to the air handling unit needing to be replaced, and did not reopen until early April 2022. The main focus on membership sales during January to March has been the group memberships.

The marketing approach for both leisure centres and golf course has been part of a restructure and modernisation. The key sales campaigns for all three sites are going to be supported by a third party, full service marketing company, Big Wave Media. Modern marketing, in particular on digital platforms, is a fast moving landscape and this partnership will ensure the centres stay current and able to successfully compete in the market. With Big Wave supporting the sales campaigns this also allows the in house marketing and sales team to focus on internal business development.

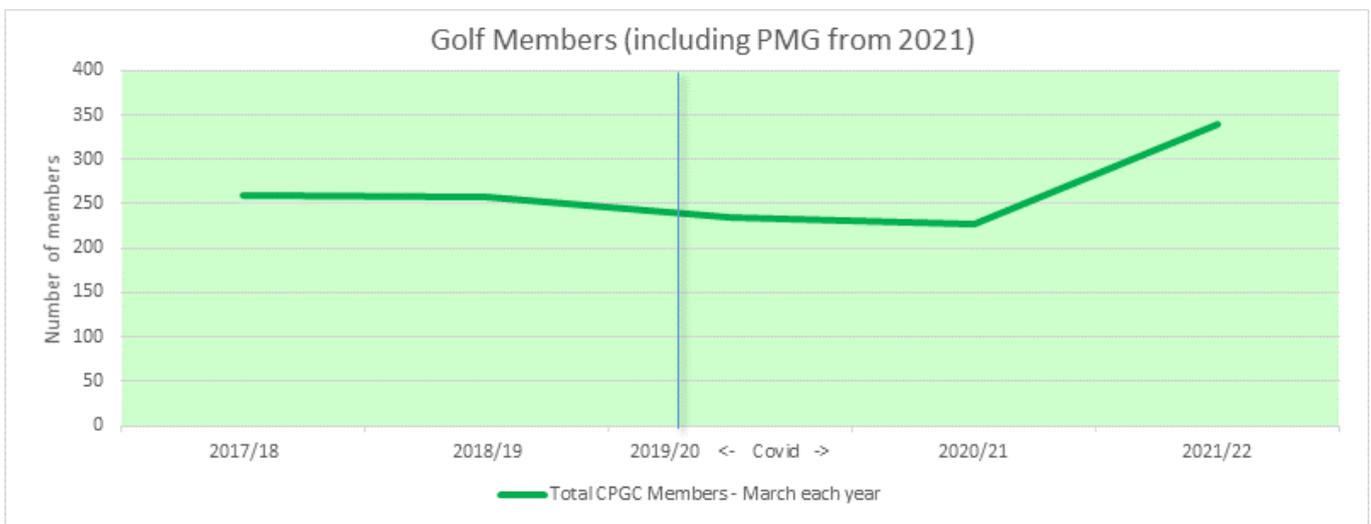
With this new marketing initiative in place, it will enable the centres to take advantage of a broad and modern digital marketing skillset as well as knowledge gains from other leisure and fitness providers across the country.

At CPGC income is £105k over budget. This is a combination of increased function hire and bar income and footfall on the golf course. Memberships at the Golf Centre have remained steady during Covid, although it is still not back to pre-pandemic figures.

## Memberships

Although memberships at the two leisure centres have increased during 2021/22, they are still lower than pre-pandemic levels, as can be seen in the table and graphs below:

	March 2019	March 2020	March 2021	March 2022	Total increase in year	% increase in year
Laura Trott Leisure Centre	3,839	4,088	2,019	3,724	1,255	62
John Warner Sports Centre	1,518	1,715	860	1,434	574	66
Cheshunt Park Golf Centre	257	235	219	223	4	2



The table below shows the combined actual outturn for 2021/22 compared to previous years' outturns.

<b>Trading operations (£000)</b>	<b>Total Actual 2019/20</b>	<b>Total Actual 2020/21</b>	<b>Total Actual 2021/22</b>
Income	(4,772)	(979)	(3,012)
Employee costs	2,191	1,514	2,194
Furlough grant income	0	(513)	0
Premises costs	664	464	713
Travel costs	2	0	3
Supplies and services	730	449	720
<b>Total trading costs</b>	<b>3,587</b>	<b>1,914</b>	<b>3,164</b>
Trading (surplus)/deficit before management fee	(1,185)	935	152
Management fee	520	520	0
<b>Trading (surplus)/subsidy *</b>	<b>(665)</b>	<b>1,455</b>	<b>152</b>
<b>Council</b>	<b>Total Actual 2019/20</b>	<b>Total Actual 2020/21</b>	<b>Total Actual 2021/22</b>
Employee costs	1	4	4
Supplies and services	1	1	1
Business rates	80	80	80
Planned and preventative maintenance	131	128	87
Management fee	(520)	(520)	0
Miscellaneous Income	(38)	(38)	(38)
<b>Council (surplus)/subsidy</b>	<b>(345)</b>	<b>(345)</b>	<b>133</b>
<b>Combined (surplus)/subsidy before recharges and depreciation</b>	<b>(1,010)</b>	<b>1,110</b>	<b>286</b>
Trading support service charges *	273	382	580
Trading internal costs *	2	0	0
Council support service charges	13	8	13
Council internal costs	200	158	201
Depreciation	644	939	941
<b>Combined trading and client subsidy</b>	<b>122</b>	<b>2,597</b>	<b>2,020</b>
<b>Total trading position (surplus)/subsidy *</b>	<b>(390)</b>	<b>1,837</b>	<b>732</b>

## Appendix C – The Spotlight Monitor

The following table shows the actual outturn as at 31 March for The Spotlight.

<b>Trading operations (£000)</b>	<b>Total Actual 2021/22</b>	<b>Budget 2021/22</b>	<b>Variance</b>
Income	(51)	(424)	373
Employee costs	139	398	(259)
Premises costs	51	75	(25)
Travel costs	0	2	(2)
Supplies and services	148	359	(211)
<b>Total trading costs</b>	<b>338</b>	<b>835</b>	<b>(497)</b>
Trading (surplus)/deficit before management fee	287	410	(124)
<b>Trading (surplus)/subsidy*</b>	<b>287</b>	<b>410</b>	<b>(124)</b>
<b>Council</b>	<b>Total Actual 2021/22</b>	<b>Budget 2020/21</b>	<b>Variance</b>
Business rates	23	24	(1)
Planned and preventative maintenance	66	35	31
Income from hire	(100)	0	(100)
<b>Council (surplus)/subsidy</b>	<b>(11)</b>	<b>59</b>	<b>(69)</b>
<b>Combined (surplus)/subsidy before recharges and depreciation</b>	<b>276</b>	<b>469</b>	<b>(193)</b>
Trading central recharges*	161	154	7
Trading internal costs*	0	1	(1)
Council support service charges	3	1	2
Council internal costs	27	27	0
Depreciation	384	267	117
<b>Combined trading and client subsidy</b>	<b>851</b>	<b>919</b>	<b>(67)</b>
<b>Total trading position (surplus)/subsidy *</b>	<b>448</b>	<b>565</b>	<b>(117)</b>

The Spotlight re opened on 18 March 2022 with a production of That'll be the Day. Income generated through shows and hire is £51k and income from fees for filming is £100k.

The table below shows the actual outturn for 2021/22 compared to previous years actual outturns.

<b>Trading operations (£000)</b>	<b>Total Actual 2019/20</b>	<b>Total Actual 2020/21</b>	<b>Total Actual 2021/22</b>
Income	(912)	0	(51)
Employee costs	456	157	139
Furlough grant income	0	(41)	51
Premises costs	73	27	0
Travel costs	2	0	148
Supplies and services	598	75	338
<b>Total trading costs</b>	<b>1,128</b>	<b>218</b>	<b>287</b>
Trading (surplus)/deficit	216	218	<b>287</b>
<b>Trading (surplus)/subsidy*</b>	<b>216</b>	<b>218</b>	<b>287</b>
<b>Council</b>	<b>Total Actual 2019/20</b>	<b>Total Actual 2020/21</b>	<b>Total Actual 2021/22</b>
Business rates	28	23	23
Planned and preventative maintenance	34	10	66
Income from hire	0	0	(100)
<b>Council (surplus)/subsidy</b>	<b>62</b>	<b>33</b>	<b>(11)</b>
<b>Combined (surplus)/subsidy before recharges and depreciation</b>	<b>226</b>	<b>251</b>	<b>276</b>
Trading central recharges*	111	110	161
Trading internal costs*	4	0	0
Council support service charges	7	1	3
Council internal costs	19	26	27
Depreciation	263	270	384
<b>Combined trading and client subsidy</b>	<b>561</b>	<b>658</b>	<b>851</b>
<b>Total trading position (surplus)/subsidy *</b>	<b>331</b>	<b>328</b>	<b>448</b>