

2023/24 Quarter 1 Revenue Monitor



**BOROUGH OF
BROXBOURNE**

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2023/24 Quarter One Revenue Monitor

Introduction

This monitor summarises the forecast year end revenue position for the Council as at the end of the first quarter of the financial year (April to June 2023).

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

This document offers a summarised overview of the Council's finances for the current 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 (or projected to be received) from central government as at 30 June 2023:

	2023/24 Revised Budget	Projected Outturn as at 30 June 2023	(Under)/Over Spend
	£	£	£
Chief Executive	4,167,668	4,218,490	50,822
Environmental Services	6,605,146	6,632,017	26,871
Finance	(1,313,245)	(1,599,303)	(286,058)
Legal	13,924	31,596	17,672
Place	3,173,373	3,334,465	161,092
Cost of Services (General Fund)	12,646,866	12,617,265	(29,601)
The Leisure Centres (Trading Position)			433,326
Cheshunt Park Golf Centre (Trading Position)			145,418
The Spotlight (Trading Position)			361,498
Combined Overall Position			910,641
Contribution from Broxbourne Sport and Broxbourne Leisure and Culture Reserve			(910,641)
Net impact on General Fund			0

The current projections indicate that the cost of services (general fund) will be £29,601 underspent. However when combined with the outturn position of Broxbourne Sport and the Spotlight there is a forecast overspend of £910,641 which will be funded from Broxbourne Sport and Broxbourne Leisure and Culture Reserve

A more detailed analysis of the variances 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 30 June for the current year and the previous three financial years. NB council tax and business rates are collected in instalments throughout the year.

	2020/21	2021/22	2022/23	2023/24
	%	%	%	%
Council Tax	25.7	26.8	26.5	26.8
Business Rates	20.3	24.4	30.7	30.4

Empty Homes Premium

The Council has discretionary powers, under the Local Government Finance Act 1992, to increase the council tax payable on properties that have been empty for two or more years. As of April 2020, the additional charge is 100% of the prevailing council tax charge, this means that owners of properties which have been empty for more than two years will pay double council tax.

The table below shows the number of homes where this premium has been applied and the revenue that has been received.

	2023/24
Homes Charged the Premium	48
Income from applying the charge NB: Broxbourne's share is £7,123	£91,323

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 30 June 2023:

	2023/24 Revised Budget	Projected Outturn as at 30 June 2023	(Under)/Over Spend
	£	£	£
Chief Executive	4,167,668	4,218,490	50,822
Environmental Services	6,605,146	6,632,017	26,871
Finance	(1,313,245)	(1,599,303)	(286,058)
Legal	13,924	31,596	17,672
Place	3,173,373	3,334,465	161,092
Cost of Services (General Fund)	12,646,866	12,617,265	(29,601)

The Cost of Services for the general fund is showing an underspend of £29,601.

The table on the following page provides further details of the significant variances between the end of year forecast expenditure and the budget set at the start of the year across the service areas however key variances are explained below.

Significant underspends include £165k in employee costs, savings in the Liberata contract for provision of the revenues and benefits service (£106k) and additional investment property income (£111k).

Significant overspends include a decrease in parking income of £132k (pay and display £158k and PCNs £99k), this is partly offset by £125k income received for hiring the Council's car parks for film crew vehicles and buses for rail replacement services, an increase in business rates payable of £173k and a net reduction in income from recycling credits and sales (£100k).

Significant variances from budget

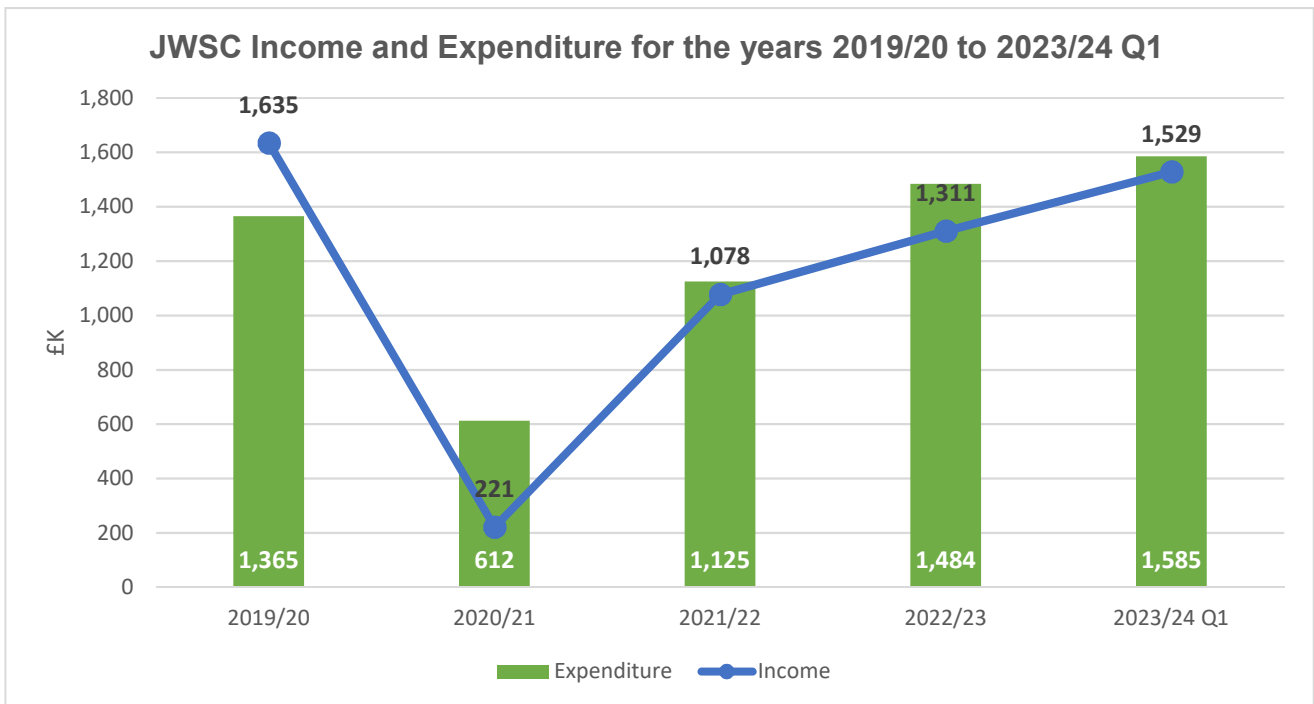
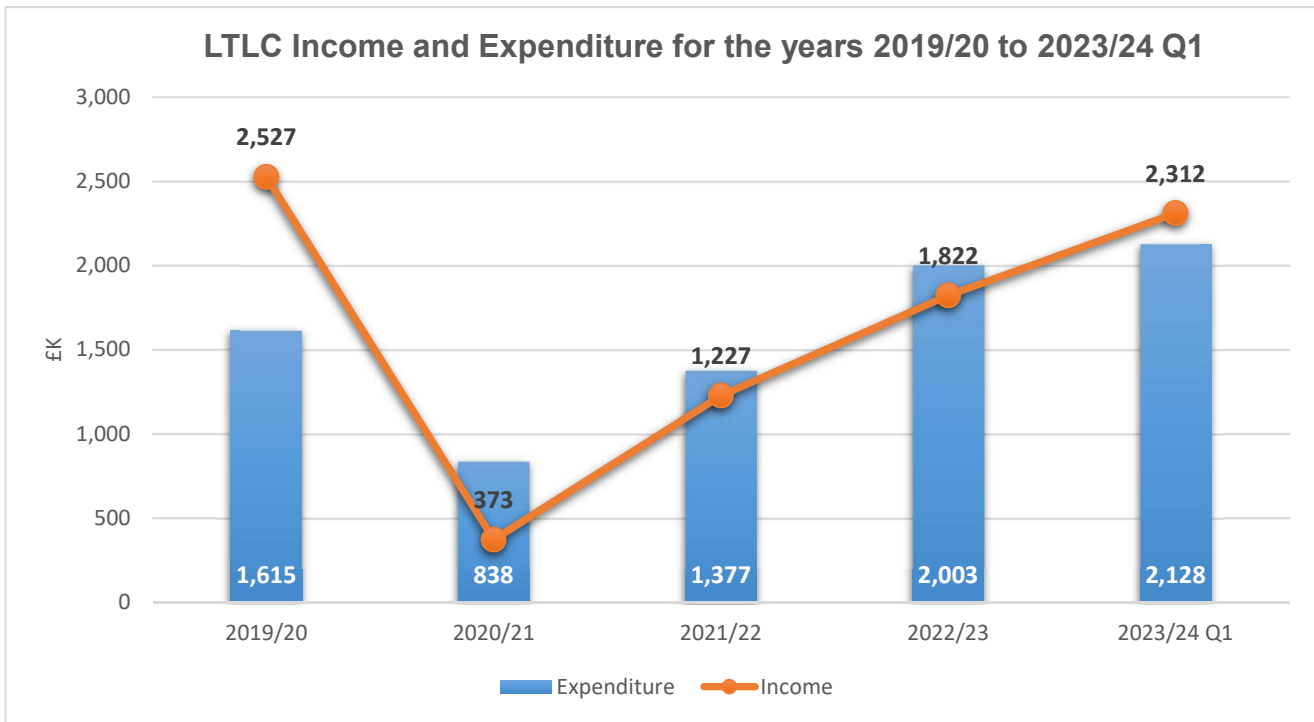
Change	Chief Executive £000	Environmental Services £000	Finance £000	Legal £000	Place £000	Total £000
Employee costs	28	(39)	(125)	16	(45)	(165)
Fewer Land Charge searches undertaken resulting in a reduction in income	36					36
(Decrease)/Increase in business rates payable by the Council following the recent national business rates revaluation		(4)	118		59	173
Net reduction in recycling credits and sales income. Higher income from plastic (£7k), glass (£66k) and textiles (£28k) is offset by reduced income from paper and cardboard (£201k)		100				100
When the budgets were set an allowance was made for void Commercial properties. There are currently less void properties than budgeted for resulting in an increase in income, particularly at The Pavilions (£83k) and additional income from Woollensbrook cemetery (£28k)			(111)			(111)
Savings in expenditure on stationery and photocopier charges			(26)			(26)
Savings from the Liberata contract in respect of the revenues and benefits service			(106)			(106)

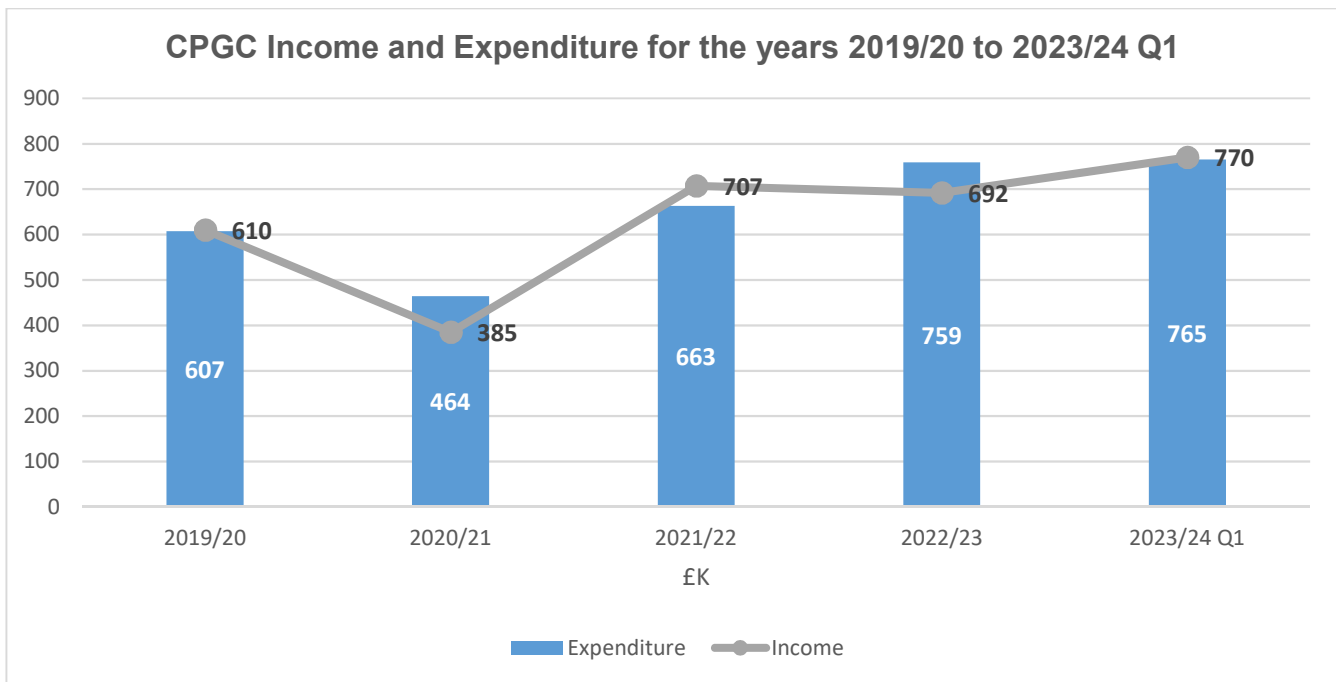
Change	Chief Executive £000	Environmental Services £000	Finance £000	Legal £000	Place £000	Total £000
Less income being received in regards to service charges received from hostel accommodation (£37k) offset by reduced payments for leasing management fee (£27k)			10			10
Income received from Council's car parks in respect of hires for use by film crew vehicles and buses for rail replacement services (£125k) offset by reduction from car park pay and display income (£158k) and PCN's (£99k)					132	132
Other movements	(13)	(31)	(46)	2	15	(73)
Total movement	51	26	(286)	18	161	(30)

Appendix B – Broxbourne Sport Monitor

The following table shows the forecast outturn position as at 30 June 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 2023/24	Variance
Food and Beverage Income	(2,312)	(1,529)	(302)	(302)	(319)	17
Income			(468)	(4,310)	(3,884)	(426)
Employee costs	1,241	805	298	2,343	2,418	(76)
Premises costs	555	575	259	1,389	1,522	(133)
Travel costs	0	0	0	1	2	(1)
Supplies & services	332	205	208	745	763	(18)
Total trading costs	2,128	1,585	765	4,477	4,706	(228)
Trading (surplus)/deficit before management fee	(185)	56	(5)	(134)	503	(637)
Management fee	100	50	50	200	200	0
Trading (surplus)/subsidy *	(85)	106	45	66	703	(637)
Council	LTLC	JWSC	CPGC	Total	Budget 2023/24	Variance
Employee costs	5	0	0	5	5	0
Supplies & services	0	1	0	1	1	0
Business rates	0	42	30	72	83	(11)
Planned & preventative maintenance	47	46	20	112	112	0
Management fee	(100)	(50)	(50)	(200)	(200)	0
Miscellaneous Income	0	0	0	0	0	0
Council (surplus)/subsidy	(48)	38	0	(10)	1	(11)
Combined (surplus)/subsidy before recharges & depreciation	(133)	144	45	56	704	(649)
Trading support service charges *	225	184	100	510	510	0
Trading internal costs *	2	1	0	3	3	0
Council support service charges	4	4	0	8	8	0
Council internal costs	112	62	27	201	201	0
Depreciation	748	46	60	854	910	(56)
Combined trading and client subsidy	958	441	232	1,631	2,335	(705)
Total trading position (surplus)/subsidy *	143	291	145	579	1,216	(637)





The three graphs above set out the actual income received and expenditure incurred, including the management fee paid to the Council, for all three facilities from 2019 – 2023. A management fee has been paid to the Council each year except for 2021/22 and 2022/23. The Q1 position for 2023/24 is the forecast position and includes a management fee.

Q1

A change in legislation for 2023/24 allows Council run Leisure Centres to treat income from sporting activities as non-business for the purposes of Vat. This means that the Sport sites retain a larger percentage of the income.

Income for all three sites at Q1 is forecast at £409k above budget. This is a combination of the change in the way VAT is accounted for and increased sales in memberships.

Laura Trott Leisure Centre (LTLC) and John Warner Sports Centre (JWSC)

LTLC is forecasting an operating surplus of £185k before paying a management fee to the Council. JWSC is forecasting an operating deficit of £56K before paying a management fee to the Council. Both sites are forecasting an improved year-end position compared to budget.

Cheshunt Park Golf Course (CPGC)

CPGC is forecasting an operating surplus of £5k before paying a management fee to the Council.

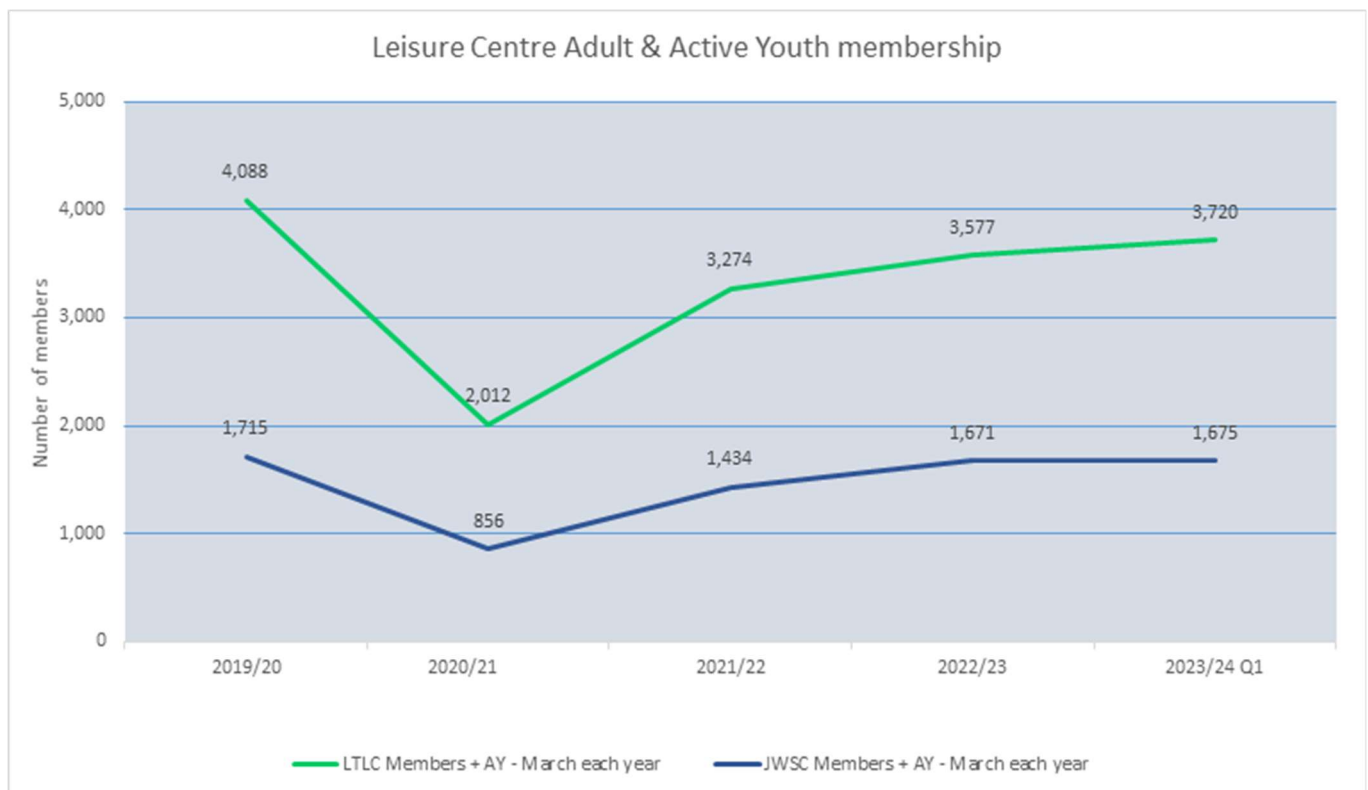
Trading costs for all three sites are forecast at £228k better than budget. The main underspend is due to lower than budgeted electricity costs at LTLC and JWSC and vacant posts at JWSC. There is a small overspend forecast at CPGC but this is offset by the increased forecast income.

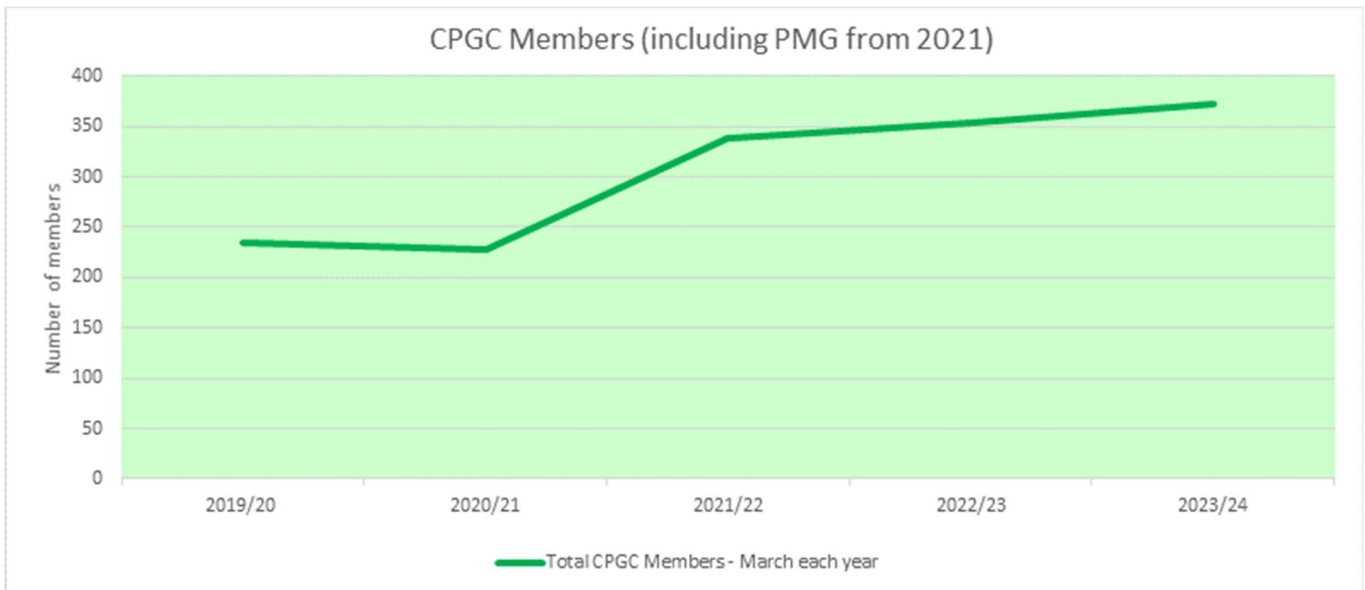
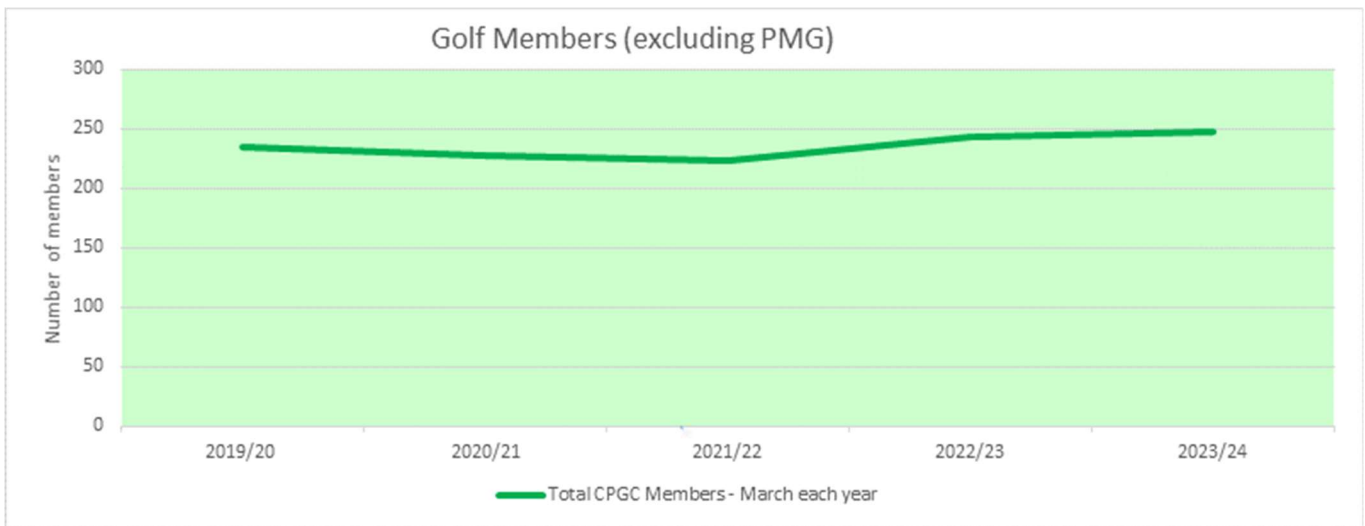
The table below shows the combined forecast outturn for 2023/24 compared to previous years' outturns.

Trading operations (£000)	Total Actual 2021/22	Total Actual 2022/23	Total Forecast 2023/24
Income	(3,012)	(3,825)	(4,611)
Employee costs	2,194	2,132	2,343
Premises costs	713	1,320	1,522
Travel costs	3	1	2
Supplies & services	720	793	763
Total trading costs	3,164	4,246	4,706
Trading (surplus)/deficit before management fee	152	421	503
Management fee	0	0	200
Trading (surplus)/subsidy *	152	421	703
Council	Total Actual 2021/22	Total Actual 2022/23	Total Forecast 2023/24
Employee costs	4	4	5
Supplies & services	1	40	1
Business rates	80	80	83
Planned & preventative maintenance	87	137	112
Management fee	0	0	(200)
Miscellaneous Income	(38)	(38)	0
Council (surplus)/subsidy	133	223	1
Combined (surplus)/subsidy before recharges & depreciation	286	644	704
Trading support service charges *	580	539	510
Trading internal costs *	0	0	3
Council support service charges	13	7	8
Council internal costs	201	201	201
Depreciation	941	952	910
Combined trading and client subsidy	2,020	2,343	2,335
Total trading position (surplus)/subsidy *	732	960	1,216

Memberships

	March 2019	March 2020	March 2021	March 2022	March 2023	June 2023	Total Increase from March 2021	% Increase
Laura Trott Leisure Centre	3,839	4,088	2,019	3,274	3,577	3,720	1,701	84
John Warner Sports Centre	1,518	1,715	860	1,434	1,671	1,675	815	95
Cheshunt Park Golf Centre	257	235	219	223	243	248	29	13
CPGC Play More Golf members				116	110	125		





Appendix C – The Spotlight Monitor

The following table shows the forecast outturn as at 30 June for The Spotlight.

Trading operations (£000)	Spotlight	Budget 2023/24	Variance
Income	(954)	(1,055)	101
Employee costs	426	481	(55)
Premises costs	195	176	19
Travel costs	0	0	0
Supplies & services	557	630	(74)
Total trading costs	1,178	1,288	(110)
Trading (surplus)/deficit before management fee	224	232	(9)
Trading (surplus)/subsidy*	224	232	(9)
Council	Spotlight	Budget 2023/24	Variance
Business rates	18	23	(5)
Planned & preventative maintenance	0	29	(29)
Council (surplus)/subsidy	18	52	(34)
Combined (surplus)/subsidy before recharges & depreciation	241	284	(43)
Trading central recharges*	138	159	(21)
Trading internal costs*	0	1	(1)
Council support service charges	2	1	1
Council internal costs	27	27	0
Depreciation	394	394	0
Combined trading and client subsidy	803	866	(63)
Total trading position (surplus)/subsidy *	361	391	(30)

The table below shows the forecast outturn for 2023/24 compared to previous years actual outturns.

Trading operations (£000)	Total Actual 2021/22	Total Actual 2022/23	Forecast 2023/24
Income	(51)	(937)	(954)
Employee costs	139	498	426
Furlough grant income	51	0	0
Premises costs	0	153	195
Travel costs	148	0	0
Supplies & services	338	681	557
Total trading costs	287	1,332	1,178
Trading (surplus)/deficit before management fee	287	395	224
Trading (surplus)/subsidy*	287	395	224
Council	Total Actual 2021/22	Total Actual 2022/23	Forecast 2023/24
Business rates	23	23	18
Planned & preventative maintenance	10	67	0
Income from hire	(100)	0	0
Council (surplus)/subsidy	(11)	90	18
Combined (surplus)/subsidy before recharges & depreciation	276	485	241
Trading central recharges*	161	151	138
Trading internal costs*	0	0	0
Council support service charges	3	1	2
Council internal costs	27	27	27
Depreciation	384	393	394
Combined trading and client subsidy	851	1,057	803
Total trading position (surplus)/subsidy *	448	546	361

