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From: **Hoddesdon Society** <thehoddesdonsociety@gmail.com>

Date: Wed, 29 Jan 2020 at 11:21

Subject: Fwd: Lowewood Museum - Procedural concerns

To: <jeff.stack@broxbourne.gov.uk>

Cc: <sandra.beck@broxbourne.gov.uk>, <nathalie.boateng@broxbourne.gov.uk>, David

Dent <david.dent503@ntlworld.com>, Hoddesdon Society

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Dear Mr Stack

I refer to the joint letter from The Hoddesdon Society and the Friends of Lowewood Museum sent to you on 21 January (copy attached).

You will appreciate that the timescales involved with the judicial review process are very tight, which is why we asked for a response by yesterday so that we are able to understand what the Council's position is. We would be grateful for a response as soon as you are able. If we need to forward this to anyone else at the Council, please let us know.

In the meantime, we also have the following requests for information. I have copied in the Finance Director as some of these are financial.

Request 1

We should be grateful if you would explain the apparent discrepancy between the way the Council describes its financial status in the Lowewood Report and other documents published by the Council.

The Lowewood Report states that "*All expenditure needs to be considered in the context of the Council's medium term financial strategy, which indicates that the Council has a budget gap of over £533k in 2021/22, rising to around £2.1m in 2023/24. External funding cannot be obtained for day to day running costs and any increase in costs that the Council incurs, need to be offset by new additional income or cost savings from other areas.*"

The Statement of Accounts 2018/19 ("2018/19 Accounts") and the latest statement on the 2019/2020 budget do not refer to any "budget gap". Rather, the Council confirms in these documents that it has achieved its target of being one of the first local authorities to become self-sufficient and that its investment and other income will enable "*to balance its annual budget for the foreseeable future*". For example:

- The 2018/19 Accounts confirms that "*The target of being financially self-sufficient, that is to say that the income the Council can generate for **itself is able to fully fund its budgetary needs** [our emphasis], i.e. it would no longer be reliant on funding from central Government. This target was met in August 2017.*" (2018/19 Accounts, p5).
- Later, the statement is made in relation to the Council's investment income that "*This income, along with council tax income of £4m and retained business rates income of £2m, **will allow the Council to balance its annual budget for the foreseeable future as well as being able to continue to make a significant contribution to its capital programme** [our emphasis]*" (2018/19 Accounts, p5).
- In addition, there appears to be a revenues surplus for 2018/2019: "*The statement shows a surplus for 2018/19 of £2 million which represents the amount by which income exceeds expenditure*" (2018/19 Accounts, p10).
- The statement on the Council's website on the 2019/20 budget states that "*The 2019/20 budget is balanced with no need to use reserves and the Council therefore*

continues to reap the benefits of its self-sufficient financial position, allowing the Council to fund expenditure without having to cut or reduce service levels.” (<https://ex.broxbourne.gov.uk/resident/news/broxbourne-borough-council-announces-20192020-budget>).

So, on the one hand, there is a Council with a balanced budget “*for the foreseeable future*” and a revenues surplus for 2018/19, making statements that there will be no need to cut or reduce service levels, and on the other hand there is the Council in the Lowewood Report which projects a budget gap for 2021/22 onwards and says that it needs to cut valuable community services like Lowewood.

Please could you help us understand how these statements can be reconciled. If budget gaps are predicted for 2021/22 onwards, how can it be accurate to state in the 2018/19 Accounts that the Council expects to be able to balance its budget “for the foreseeable future”.

Request 2

Please could you confirm the estimated value of the Lowewood Museum assets. Is this included in the description of “Heritage Assets” in the Accounts?

Request 3

What are the purposes of:

1. the Service Protection and Enhancement Fund and
2. the Broxbourne Sport and Broxbourne Leisure and Culture Reserve?

Request 4

Please could you provide a copy of the current Leisure and Culture Business plan, which does not appear to be available on your website.

Request 5

In order to reasonably and meaningfully evaluate the value of Lowewood Museum to the community, we presume that you must have looked at data relating to footfall and also the impact of the outreach programmes in local schools, residential and care homes and other similar facilities.

5(a) Please could you provide us with (i) all data on which your analysis was based and (ii) any other data in your possession relating to:

1. Visitor numbers at Lowewood Museum
2. The outreach programmes (e.g. number of visits/sessions and number of individuals involved on each occasion.

5(b) Please could you also confirm whether, in relation to the outreach programmes (schools/the elderly/dementia patients), the Council carried out an assessment of what the financial value would have been of providing these services separately.

We look forward to hearing from you as soon as possible.

Yours sincerely

Nicola Cowan
Secretary
The Hoddesdon Society