



**City of Durham  
Charter Trustees for the City of Durham**

Ref: JM

14 June 2018

To: The Mayor and Members of the  
**CHARTER TRUSTEES FOR THE CITY OF DURHAM**  
(Councillors D Bell, J Blakey, L Brown, J Chaplow, K Corrigan,  
S Dunn, D Freeman, D Hall, A Hopgood, L Hovvels, B Kellett,  
J Lethbridge, C Marshall, E Mavin, L Mavin, M McKeon,  
R Ormerod, E Scott, M Simmons, A Simpson, D Stoker,  
P Taylor, F Tinsley, J Turnbull, M Wilkes and M Wilson).

Dear Sir/Madam

A Meeting of the **CHARTER TRUSTEES FOR THE CITY OF DURHAM** will be held in  
Committee Room 1B - County Hall, Durham, on Wednesday 20 June 2018 at 11.30 am.

**Please Note:** In the event that Council runs beyond 11.30am, the Charter Trustee meeting  
will commence immediately following the County Council meeting.

**BUSINESS**

1. Apologies for Absence
2. Minutes of the meeting held on the 6 June 2018 (Pages 3 - 6)
3. Declarations of interest, if any
4. Revenue Outturn for the year ending 31 March 2018 - Report  
of the Treasurer (Pages 7 - 10)
5. Annual Return for the year ended 31 March 2018 - Report of  
the Treasurer (Pages 11 - 20)
6. Honorary Aldermen - Recognition - Report of the Clerk to  
Charter Trustees (Pages 21 - 24)
7. Any Other Business

Yours faithfully  
Clerk

County Hall, Durham, DH1 5UL  
Tel: 03000 267202  
Web Site: [www.durham.gov.uk](http://www.durham.gov.uk)

This page is intentionally left blank

## CHARTER TRUSTEES FOR THE CITY OF DURHAM

At the **Meeting** of the **Charter Trustees for the City of Durham** held in the Main Hall - Town Hall, Durham, on Wednesday 6 June 2018 at 12.00 pm

**Present:** The Deputy Mayor of Durham, Councillor K Corrigan (in the Chair) and Councillors D Bell, J Blakey, L Brown, J Chaplow, K Corrigan, S Dunn, D Hall, L Hovvels, J Lethbridge, C Marshall, M McKeon, P Taylor, F Tinsley, J Turnbull and M Wilson

### **1 Prayers**

Prayers were said by the Vice-Dean, Canon David Kennedy.

### **2 Apologies for Absence**

Apologies for absence were received from The Right Worshipful Mayor of Durham, Councillor B Kellett and Councillor A Simpson.

### **3 Recording of Proceedings**

Charter Trustees consented to the taking of photographs during the meeting.

### **4 Election of Mayor**

The Deputy Mayor asked for nominations for the election of Mayor.

Councillor M McKeon moved and Councillor P Taylor seconded that Councillor John Lethbridge, be appointed Mayor of Durham for the ensuing municipal year.

#### **Resolved:**

That Councillor John Lethbridge be duly appointed as Mayor of Durham for the ensuing municipal year 2018/19.

### **5 Appointment of Deputy Mayor**

The Deputy Mayor asked for nominations for the election of Deputy Mayor.

Councillor D Bell moved and Councillor C Wilson seconded that Councillor Jean Chaplow, be appointed Deputy Mayor of Durham for the ensuing municipal year.

#### **Resolved:**

That Councillor Jean Chaplow be duly appointed as Deputy Mayor of Durham for the ensuing municipal year 2018/19.

**The meeting adjourned for 5 minutes in order for the newly elected Mayor and Deputy Mayor to receive chains of office and be robed.**

**6 The newly elected Mayor to receive the Seal and make the Declaration of Acceptance of Office of Mayor**

Councillor Lethbridge received the Seal and read the Declaration of Acceptance of Office as Mayor of Durham which he then signed.

**7 Mayor's Acceptance Speech**

The Mayor conveyed what an honour it was to be elected Mayor of Durham and expressed appreciation to Councillor Maura McKeon and Councillor Paul Taylor for proposing him to the prestigious position. He thanked his wife, family and staff for their support and Councillor Bill Kellett for his insight and kindness.

The Mayor looked forward to the forthcoming year working with the new Deputy Mayor and the Mayor's Bodyguard. He would undertake the duties required to enhance the links between the City, Cathedral, and University and would continue to maintain the long standing links with the people and organisations within the City.

**8 Mayor to call on Retiring Mayor/Consort to receive the Past Mayor/Consort Jewels**

The Retiring Mayor unfortunately was unable to attend the meeting, therefore would receive the Past Mayor Jewels at a later date.

The Mayor presented Councillor Jean Chaplow with the past Consort Jewels as a souvenir to commemorate her year of office.

**9 Address by the Retiring Mayor**

Unfortunately the retiring Mayor, Councillor Bill Kellett was unable to attend the meeting and asked the Mayor to read a letter on his behalf. He thanked Trustees for giving him the opportunity to be Mayor for 2017/18 and the Mayors Bodyguard, Councillors Lethbridge, Chaplow and Corrigan for the help and support.

He thanked Town Hall staff, chauffeurs, the Dean and Vice Dean of Durham, Member Support and volunteers who helped raise £19,500 for his chosen charity, the Great North Air Ambulance.

He had a year filled with many highlights of events and people he had met. He thanked his wife and family who endured his frequent and lengthy absences from home giving him the privilege and honour of being Mayor of a wonderful City and wished the new Mayor and Deputy Mayor a wonderful year ahead.

## **10 Vote of thanks to Retiring Mayor/Consort and Deputy Mayor/Consort**

Councillor Tinsley offered the vote of thanks to the retiring Mayor/Consort Councillor Bill Kellett and Councillor Chaplow who took on the roles with great determination and maintained the high standards the position required. He congratulated them on their tireless efforts made in relation to their chosen charity, the Great North Air Ambulance in which they had raised £19,500.

On behalf of Charter Trustees he thanked the retiring Deputy Mayor/Consort Councillor Katie Corrigan and Dr Bill Moir for the support they had given to the Mayor/Consort over the last year and wished them the best on future endeavours.

## **11 Mayor to call on Retiring Deputy Mayor/Consort to receive the Past Deputy Mayor/Consort Jewels**

The Mayor presented Councillor Katie Corrigan the past Deputy Mayor/Consort Jewels as souvenirs to commemorate her term of office.

Unfortunately Dr Bill Moir was unable to attend the meeting, therefore would receive his Jewels at a later date.

## **12 Presentation of Past Mayor/Consort for 2016/17 to receive the Past Mayor/Consort Jewels**

The Mayor presented Councillors Eddie Bell and Jennifer Bell the past Mayor/Consort Jewels as souvenirs to commemorate their term of office for 2016/17.

## **13 Minutes**

Minutes of the meeting held on 18 April 2018 were confirmed as a correct record and signed by the Mayor.

## **14 Declarations of interest**

There were no declarations of interest.

## **15 Mayor's Announcements**

The Mayor announced that the Mayor's Evensong would be held at Durham Cathedral on Sunday 24 June 2018 at 3.30pm and asked Trustees and Aldermen for help in supporting the Mayoralty.

The Mayors chosen charity during his term of office would be the Royal British Legion and the Mayors Rosettes colours for 2018/19 were chosen from his former school days at Durham Johnston School, which also included the RAF roundel to commemorate their centennial year.

## **16 Presentation of Mayoral Service Awards**

The Mayor presented long service awards to Mr David Watson MBE (10 years) and Mr Frank Bilton (15 years) in recognition of the loyal and voluntary service they had given to the Mayors of Durham.

## **17 Appointment of the following Officers:-**

Consideration was given to the appointment of Officers as listed on the agenda.

### **Resolved:**

That the following Officers be appointed:-

- Pant Master (Miss Sharon Spence)
- Billet Master (Superintendent Chris Curtis, Durham Constabulary)
- Macebearer (Mr David Baker)
- Swordbearer (Mr Stan Lincoln)
- Deputy Bearer (Mr Frank Bilton)
- Assistant Bearer (Mr David Watson)
- Honorary Judicial Recorder (His Honour Judge Christopher Prince)
- Recorder (Mrs Clare Pattinson)
- Mayor's Chaplain (The Dean of Durham)

## **18 Meetings of the Charter Trustees for the City of Durham**

The Clerk advised Trustees of dates for future meetings of the Charter Trustees for the City of Durham for the municipal year 2018/19 (for copy see file of minutes).

### **Resolved:**

That the report be noted.

The Mayor announced that there was no other business and invited all attending to refreshments.

**Charter Trustees for the City of  
Durham**

**20 June 2018**

**Revenue Outturn for the year ending  
31 March 2018**



City of Durham

---

**Report of Jeff Garfoot, Treasurer**

---

**INTRODUCTION**

- 1 The purpose of this report is to provide information on the actual expenditure compared to the budget for the year ended 31 March 2018.

**COMPARISON OF REVENUE OUTTURN WITH BUDGET**

- 2 At 31 March 2018 actual net expenditure was £50,283; an underspend of £16,153 (or 24.31%) against a budget of £66,436.
- 3 The original budget agreed a contribution from reserves in 2017/18 of £11,962. Based upon the final underspend of £16,153, there will be a transfer back into reserves of £4,191.
- 4 An analysis of the expenditure over subjective budget headings is set out in Appendix 2.
- 5 Explanations regarding the main variances between actual expenditure and the budget are provided below:

**EMPLOYEES**

- 6 The Mayor and Deputy Mayor did not take up the budgeted allowances resulting in a £5,000 saving.

**TRANSPORT**

- 7 Actual expenditure on transport was £9,145 at the financial year end which was £1,302 (or 14.24%) less than the original budget.

**SUPPLIES AND SERVICES**

- 8 The total expenditure on supplies and services was £10,590 which was £7,613 (or 41.82%) less than the annual budget of £18,203.

## **INCOME**

- 9 Actual income was £2,577 at the financial year end which was £2,537 more than the original budget. This is due to the fact the original budget did not include income from the Mayor's civic dinner in March 2018.

## **ACTUAL OUTTURN**

- 10 Actual net expenditure to 31 March 2018 was £50,283, an underspend of £16,153 (or 24.31%) against the net expenditure budget of £66,436.

## **GENERAL RESERVE**

- 11 The general reserve balance at 1 April 2017 was £68,078. With an underspend of £16,153, a contribution of £4,191 has been made to the reserve, rather than the original budget figure of £11,962. Consequently the reserve balance has increased to £72,269 as at 31 March 2018.

## **VAT**

- 12 As at 31 March 2017 the total VAT paid and reclaimed was £32,542.27.

## **RECOMMENDATIONS**

- 13 It is **RECOMMENDED** that the City of Durham Charter Trustees note the outturn position for the year ended 31 March 2018.

---

**Contact: Ian Herberson, Tel. 03000 261861**

---

**RISKS AND IMPLICATIONS**

---

**Finance**

The report provides information on actual expenditure compared to the budget for the year ended 31 March 2018.

**Staffing**

None

**Equality and Diversity**

None

**Accommodation**

None

**Crime and Disorder**

None

**Human Rights**

None

**Consultation**

None

**Procurement**

None

**Disability Discrimination Act**

None

**Legal Implications**

None

**ACTUAL OUTTURN COMPARED TO THE BUDGET FOR THE YEAR  
ENDED 31 MARCH 2018**

<b>Annual Budget 2017/18</b>	<b>Budget Head</b>	<b>Actual 2017/18</b>	<b>Variance (Actual Outturn v Annual Budget)</b>
<b>£</b>		<b>£</b>	<b>£</b>
	<b>Employees</b>		
3,500	Mayor's Allowance	0	-3,500
1,500	Deputy Mayor's Allowance	0	-1,500
	<b>Premises</b>		
3,501	Town Hall	3,501	0
	<b>Transport</b>		
6,305	Civic Car	5,555	-750
1,198	Bus Hire	840	-358
2,944	Sergeants at Mace/ Bodyguard	2,750	-194
	<b>Supplies and Services</b>		
16,640	Mayor's Hospitality	8,696	-7,944
418	General Office Expenses	730	312
840	Insurance	834	-6
305	External Audit	330	25
	<b>Support Services</b>		
16,690	Administration	16,989	299
12,635	Support Services	12,635	0
	<b>Income</b>		
0	Mayor's Civic Dinner	-2,550	-2,550
-40	Investment income	-27	13
<b>66,436</b>	<b>Net Expenditure</b>	<b>50,283</b>	<b>-16,153</b>
-6,940	<b>Council Tax Support Grant</b>	-6,940	0
-11,962	<b>Transfer to / -from Reserves</b>	4,191	16,153
<b>47,534</b>	<b>Net budget</b>	<b>47,534</b>	<b>0</b>

**Charter Trustees for the City of  
Durham**

**20 June 2018**

**Annual Return for the year ended  
31 March 2018**



City of Durham

---

**Report of Jeff Garfoot, Treasurer**

---

**Purpose of the Report**

1. To seek approval of the Accounting Statements and Annual Governance Statement for the financial year ended 31 March 2018, which are included in the attached Annual Return at pages 2 and 3.

**Background**

2. In accordance with the Accounts and Audit Regulations 2003 (as amended) small relevant bodies in England with an annual turnover of £6.5 million or less must complete an annual return summarising their annual activities at the end of each financial year. To comply, the Annual Return must be approved by the Charter Trustees no later than 29 June 2018. The return is then subject to audit by external auditors appointed by the Audit Commission. On completion, the external auditors' report will be incorporated into the published version of the document at Section 3. The final audited version of the return must be published by the Charter Trust before 30 September 2018.

**Annual Return**

3. The annual return is made up of four sections :
  - Section 1 – Annual Governance Statement, to be signed by the Chair and Clerk of the meeting approving the statement;
  - Section 2 – Accounting Statements, to be signed by the Treasurer and Chair of the meeting approving the accounting statements;
  - Section 3 – External Auditor's certificate and opinion;
  - Section 4 – Annual internal audit report – to be completed and distributed before the meeting.

4. A copy of the annual return is attached at Appendix 2.

### **Outturn Report**

5. A separate revenue outturn report for the financial year ending 31 March 2018 is included within the agenda for today's meeting. This information is incorporated within Section 2 of the annual return.

### **Recommendations**

6. It is **RECOMMENDED** that the Charter Trustees approve the attached Annual Return (Sections 1 and 2) for the financial year ended 31 March 2018.

**Jeff Garfoot**  
**Treasurer**

---

**Contact: Ian Herberson**

**Tel: 03000 261861**

---

**RISKS AND IMPLICATIONS**

**Finance**

The report provides a summary of the financial activities of the Charter Trust for the City of Durham as at 31 March 2018.

**Staffing**

None

**Risk**

None

**Equality and Diversity / Public Sector Equality Duty**

None

**Accommodation**

None

**Crime and Disorder**

None

**Human Rights**

None

**Consultation**

None

**Procurement**

None

**Disability Issues**

None

**Legal Implications**

None

**Appendix 2**

**See attached scanned copy**

# Local Councils, Internal Drainage Boards and other Smaller Authorities in England

## Annual Governance and Accountability Return 2017/18 Part 3

---

### To be completed by:

- all smaller authorities\* where either the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; and
- any other smaller authorities that either:
  - are unable to certify themselves as exempt; or
  - have requested a limited assurance review.

### Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2017/18

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practices.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
  - The **annual internal audit report** is completed by the authority's internal auditor.
  - **Sections 1 and 2** are to be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved **before 2 July 2018**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or requesting a limited assurance review, **must** send to the external auditor:
  - the Annual Governance and Accountability Return Sections 1, 2 and 3, together with
  - a bank reconciliation as at 31 March 2018
  - an explanation of any significant year on year variances in the accounting statements
  - your notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2017/18

Unless requested, do not send any original records to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability Return including **Section 3 – External Auditor Report and Certificate** will be returned to the authority.

### Publication Requirements

Smaller authorities with either income or expenditure exceeding £25,000 **must** publish on a public website, under the Accounts and Audit Regulations 2015, the Annual Governance and Accountability Return:

- **Section 1 – Annual Governance Statement 2017/18**, page 4
- **Section 2 – Accounting Statements 2017/18**, page 5
- **Section 3 – The External Auditor Report and Certificate 2017/18**, page 6
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to Local Audit and Accountability Act 2014.

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2017/18

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide*\* which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed Annual Governance and Accountability Return. Any amendments must be approved by the authority, properly initialled and accompanied by an explanation. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before sending it to the external auditor.
- Do not send the external auditor any information not specifically requested. However, you **must** inform your external auditor about any change of Clerk, Responsible Finance Officer or Chairman, and provide relevant email addresses and telephone numbers.
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide*\*.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the explanation.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs will be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2017) equals the balance brought forward in the current year (Box 1 of 2018).
- Please enter the authority's name **only** in Section 3 on Page 6. **Do not complete the remainder of that section**, which is reserved for the external auditor.
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes have been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', is an explanation provided?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been provided?		
	The bank reconciliation as at 31 March 2018 is agreed to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested or instructed.		

\*More guidance on completing this annual return is available in ***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices***, which can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.slcc.co.uk](http://www.slcc.co.uk) or from [www.ada.org.uk](http://www.ada.org.uk)

# Annual Internal Audit Report 2017/18

ENTER NAME OF AUTHORITY

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2018.

The internal audit for 2017/18 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.			
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.			
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.			
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.			
H. Asset and investments registers were complete and accurate and properly maintained.			
I. Periodic and year-end bank account reconciliations were properly carried out.			
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.			

K. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit



SIGNATURE REQUIRED

Date

DD/MM/YY

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

## Section 1 – Annual Governance Statement 2017/18

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2018, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A

\*Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the authority will address the weaknesses identified.

This Annual Governance Statement is approved by this authority and recorded as minute reference:

MINUTE REFERENCE  
dated DD/MM/YY

Signed by the Chairman and Clerk of the meeting where approval is given:

Chairman SIGNATURE REQUIRED  
Clerk SIGNATURE REQUIRED

**Other information required by the Transparency Codes** (not part of Annual Governance Statement)  
Authority web address

AUTHORITY WEBSITE ADDRESS

## Section 2 – Accounting Statements 2017/18 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2017 £	31 March 2018 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward			<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.</i>
5. (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward			<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments			<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b></i>
9. Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
			<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2018 the Accounting Statements in this Annual Governance and Accountability Return present fairly the financial position of this authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

SIGNATURE REQUIRED

Date

DD/MM/YY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where approval of the Accounting Statements is given

SIGNATURE REQUIRED

## Section 3 – External Auditor Report and Certificate 2017/18

In respect of

ENTER NAME OF AUTHORITY

### 1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2018; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

### 2 External auditor report 2017/18

(Except for the matters reported below)\* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

### 3 External auditor certificate 2017/18

We certify/do not certify\* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2018.

\*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY

\*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

Page 20

**Charter Trustees for the City of Durham**

**20 June 2018**

**Honorary Aldermen – Recognition**



**City of Durham**

**Report of Bryan Smith, Clerk to the Charter Trustees**

**Purpose of the Report**

1. To report back the discussions of the sub group upon matter of eligibility of Honorary Aldermen to take part in ceremonial events.

**Background**

2. Following the last meeting of Charter Trustees it was agreed for a sub committee to consider 1) criteria for new/existing Honorary Aldermen to take part in Charter Trustee ceremonial events/wear robes, 2) which robes and availability of spares, 3) any costs involved.
3. The Clerk reminded participants of previous decisions from Charter Trustees 17/6/15 and 28/10/15 which were generally noted ie. To allow in principle past Mayors to attend and wear black/silver trim robes, Honorary Aldermen who had served as Charter Trustees were to be invited and wear red robes.
4. However following some debate it was decided to suggest refinement of the second point to allow Honorary Aldermen who have served 14 years in a ward in the old Durham City area (as it was defined at cessation in 2009) ie not just past service as a Charter Trustee. That was to equate to the same qualifying period for Durham City Councillors as they could qualify as Honorary Aldermen.
5. That would allow any Councillor with enough service to be eligible and even those in wards where two Councillors are elected but only one is confirmed to serve as a Charter Trustee.
6. Of the four mentioned on the clerk's last report that would make only Nigel Martin eligible.
7. There are enough spare robes and should not involve any further purchase costs.

## **Recommendation**

8. That a proposal from the subgroup be accepted by the Charter Trustees that Honorary Aldermen who have served 14 years in a ward in the old Durham City area (as it was defined at cessation in 2009) be eligible to take part in ceremonial events and be allowed to wear red robes.

---

**Contact: Bryan Smith      Tel: 03000 269717**

---

---

## **Appendix 1: Implications**

---

**Finance** – no additional costs

**Staffing** – none

**Risk** – none

**Equality and Diversity / Public Sector Equality Duty** - none

**Accommodation** - none

**Crime and Disorder** - none

**Human Rights** - none

**Consultation** - none

**Procurement** - none

**Disability Issues** - none

**Legal Implications** – none as this is at the discretion of Charter Trustees

This page is intentionally left blank