



**City of Durham
Charter Trust for the City of Durham**

Ref: PN

10 January 2012

To: The Mayor and Members of the
CHARTER TRUST FOR THE CITY OF DURHAM
(Councillors L Thomson, J Blakey, J Chaplow,
J Cordon, R Crooks, N Foster, D Freeman, G Holland,
K Holroyd, A Hopgood, N Martin, E Mavin, D Morgan,
B Myers, M Plews, M Simmons, D J Southwell,
D Stoker, P Taylor, J Turnbull, M Wilkes, J Wilkinson,
M Williams, M Wood and C Woods).

Dear Sir/Madam

A Meeting of the **CHARTER TRUST FOR THE CITY OF DURHAM** will be held in the Main Hall -
Town Hall, Durham, on Wednesday 18 January 2012 at 4.00 pm.

BUSINESS

1. Apologies for Absence
 2. Recording of Proceedings
 3. Minutes of the Meetings held on 19 July 2011 and 16 November 2011 (Pages 1 - 10)
 4. To swear in Mr Colin Lidster as a Member of the Mayor's Bodyguard
- The Meeting will adjourn and reconvene at 4.30 pm in the Burlison Gallery**
5. Revenue Outturn for the Quarter ended 31 December 2011 and Projected Outturn to 31 March 2012 (Pages 11 - 16)
 6. Revenue Budget 2012/13 (Pages 17 - 22)

Yours faithfully

Clerk

- Note:** (i) Trustees are requested to be seated by 3.50 pm.
(ii) Trustees Robes of Office will be available in the Council Chamber.

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CHARTER TRUST FOR THE CITY OF DURHAM

At the **Meeting** of the **Charter Trust for the City of Durham** held in the Committee Room 2 - County Hall, Durham, on Tuesday 19 July 2011 at 4.00 pm

Present: The Right Worshipful the Mayor of Durham, Councillor Les Thomson (in the Chair) and Councillors J Chaplow, D Freeman, G Holland, K Holroyd, A Hopgood, N Martin, E Mavin, M Simmons, P Taylor, J Turnbull, M Wilkes, J Wilkinson and C Woods

1 Apologies for Absence.

Apologies for absence were received from Councillors Blakey, Cordon, Crooks, Morgan, B Myers, Plews, Southwell and M Wood.

2 Minutes of the Meeting held on 28 June 2011.

The Minutes of the Meeting held on 28 June 2011 were confirmed as a correct record and signed by the Mayor.

3 Travelling Expenses.

The Clerk to the Charter Trustees submitted a comprehensive report asking Trustees to consider the introduction of a scheme for the payment of travelling expenses and reimbursement of car parking fees.

The Clerk advised the Trust that no budget provision had been identified for the payment of travelling expenses but £1,000 could be made available.

Councillor Wilkes indicated that the scheme was unacceptable as it would cost more to administer. He suggested that the Trust revisit it again in 5 years.

Councillor Martin agreed with Councillor Wilkes, but asked that the Mayor be allowed expenses if representing the Trust outside the area.

The Clerk advised the Trust that these situations would be reported to the Trust and that there was a travelling allowance available for the Mayor and Deputy Mayor.

Councillor Holland suggested that Trustees be reimbursed for expenses if they were representing the Trust on business with the exception of day to day expenses.

Councillor Woods agreed with Councillor Martin that the Trust should look at each claim on an individual basis if the Mayor and Deputy Mayor were covered in their role.

Councillor Hopgood suggested that the issue be revisited in 2013. She also indicated that parking was free at County Hall, the only payment for parking was on Mayor Making but Trustees were provided with lunch on this day.

Councillor Taylor agreed with Councillors Wilkes and Hopgood.

Councillor Turnbull suggested that a scheme be put in place for the Mayor and Deputy Mayor, Councillor Holland agreed.

Resolved: (i) That no scheme be put in place for Trustees but individual applications be considered by the Charter Trust.

(ii) That a scheme be put in place for the Mayor and Deputy Mayor.

(iii) That the Charter Trust revisit the introduction of a scheme in 2013.

4 Historic and Ceremonial Regalia.

The Clerk to the Charter Trustees submitted a comprehensive report to advise Trustees of the steps taken so far to deal with the contents of the Town Hall in Durham in negotiations between representatives of the Council and the Charter Trustees.

Trustees were asked if they accepted the decision of Durham County Council to retain ownership of the property but with an agreement that it retain in the Town Hall, Durham, or whether they required a further meeting with the Council's Legal Representative.

Trustees instructions were also sought with regard to the transfer of items from Durham County Council to the Charter Trust which were shown in blue on the circulated schedule, which would result in an increase in the insurance premium.

Councillor Hopgood moved the first recommendation that items shown in blue be transferred to the Charter Trust.

Councillor Holland raised concern that a Memorandum of Understanding was not in place and that an agreement was not a binding contract. He was not comfortable that Durham County Council had claimed ownership of the Historic and Ceremonial Regalia. He also referred to a new white paper which he had not received a copy of yet but his understanding was that this type of arrangement would not be permitted under this new legislation.

In the absence of a Town Council he felt uncomfortable handing over the assets and that the new legislation needed to be looked at before he could comment.

Councillor Woods agreed with Councillor Holland that the assets should be in the Town Hall and as there was no legal agreement they should not proceed.

Councillor Turnbull indicated that he was unhappy and that everything should remain in the Town Hall and that negotiations should be with the Town Council and not the Charter Trust.

Councillor Martin suggested that the Charter Trust take ownership of the blue items and that there was still a legal process for disputes of ownership which could still be activated. If the White Paper was going to affect their ability for ownership then they

should accept the blue items now and still dispute the remaining items. In his opinion he did not think that the Trust could afford to take ownership of all the items but he had no problem with those listed in blue.

Councillor Holland indicated that taking ownership of partial items was not appropriate.

Councillor Wilkinson agreed with Councillor Turnbull in that the Charter Trust should not do anything, it was the decision of the Town Council when created.

Councillor Woods moved that the Charter Trust should go back to Durham County Council and ask that all assets be transferred to the Town Council when it was set up.

Councillor Freeman indicated that this was an issue for the Town Council to decide not the Charter Trust. Councillor Holland agreed.

Councillor Wilkes asked that the cost of additional insurance for the blue items be established before they agree to take ownership of these items, although he did agree that they were mayoralty items.

Councillor Hopgood suggested that consideration of the item be deferred until the Trust had sight of the new legislation and the cost implications.

Councillor Woods indicated that it would be a year before the new legislation was actionable. Councillor Holland indicated that the details of the legislation would be available.

Members discussed whether the item should be deferred for 12 months or until the creation of a Town Council.

Councillor Woods suggested that the Trust write to Durham County Council giving their views that they should be prepared to hand the items over to the Town Council. Councillor Freeman seconded.

Councillor Holland indicated that Durham County Council could not just take ownership of the Historic and Ceremonial Regalia it had to be by joint agreement and if this could not be reached then an independent arbiter would make the decision. The Charter Trust for Durham was different to others as it was only intended to be in place until the introduction of a Town Council who should seek agreement and the new legislation deals with these situations.

Resolved: That the Charter Trust write to Durham County Council to indicate that they be amenable to transfer all items to the Town Council when established.

5 Updates.

The Clerk to the Charter Trustees submitted a comprehensive report to provide Trustees with progress updates in respect of the Civic Transport, Pant Master and Mayor's Appeal Fund.

Civic Transport

Councillor Holland advised the Trust that he had not been contacted by the Head of Transport so he was unable to report on progress.

Councillor Hopgood referred to an e-mail which she had received from Councillor Williams indicating that the decision was for the Charter Trust and not Durham County Council.

The Clerk advised the Trust that the Department of Transport had prepared the documentation but the decision would be made by the Charter Trust.

Councillor Holland advised the Trust that the last tender did not ask the right questions and they did not understand the formula used, which is why the decision was made not to award the contract.

Councillor Wilkes sought clarification on whether the three appointed Trustees would make the decision or if it would be brought back to a meeting of the Trust for approval.

Discussions took place on whether the three members could use their delegated powers to make the decision or whether it should be brought back to a meeting of the Trust. Members were happy for the three members to use their delegated powers, but they were not comfortable with the Head of Transport making the decision.

Pant Master

The Clerk advised the Trust that she was waiting for a response from a Senior Officer.

Mayor's Appeal Fund

Councillor Hopgood indicated that meetings of the Mayor's Appeal Fund were open meetings which could be attended by anyone and the books were also available. She also indicated that the Mayor's Appeal had no connection with the Charter Trust or Durham County Council.

Councillor Woods agreed with Councillor Hopgood that the Mayor's Appeal had nothing to do with Durham County Council.

Councillor Wilkes raised concerns that everything was done correctly so that there would be no repercussions on the Charter Trust.

Councillor Martin indicated that he had concerns that cheques for Mayor's Appeal events were made payable to individuals and he was unhappy paying money to a third party.

Councillor Hopgood advised the Trust that this was addressed at the Mayor's Appeal meeting some time ago and they now had two separate bank accounts set up one for the current Mayor and one for the Outgoing Mayor, which were ran totally separate. She also advised the Trust that the Mayor's Appeal does not have to have Trustees as part of the membership and that only three Trustees were currently members.

Councillor Hopgood left the Meeting at 4.55 pm.

Councillor Wilkes asked that the Charter Trust have a recorded minute to confirm that they were not accountable for the Mayor's Appeal. Councillor Wilkinson seconded.

Resolved: (i) That the report be noted.

(ii) That the three members use their delegated powers to make the decision for the transport contract but justify their decision to the Charter Trust.

(iii) That it be recorded that the Charter Trust are not accountable for the Mayor's Appeal.

(iv) That Trustees be kept informed of the progress.

6 Revenue Outturn for the Quarter ended 30 June 2011 and Projected Outturn to 31 March 2012.

The Treasurer to the Charter Trust submitted a comprehensive report to provide information on the actual outturn compared with the profiled budget for the period ending 30 June 2011 and the projected outturn to 31 March 2012.

Beverley White, Finance Manager, presented the report to members.

Councillor Holland asked if the Council had reserves to pay for any overspends. The Officer advised that £25,000 was in reserves.

Councillor Wilkes sought clarification on items purchased under General Office Expenses as it had a large overspend, was the budget not enough or had items been allocated incorrectly.

He also raised concerns with the overspend on Transport which was not a large amount but over the course of the year would amount to 10%, which needed to be closely monitored. He also asked for a full breakdown of premises costs and how often the Charter Trust used the rooms in the Town Hall.

The Finance Officer advised the Trust that General Office Expenses could include printing costs which were associated with Hospitality.

The Mayor's Secretary advised the Trust that the Supplies and Services related to catering, flowers, photographs etc which were not all hospitality, which is why they needed this area to be broken down further.

The Clerk suggested that the Mayor's Hospitality be broken down further.

Councillor Woods suggested that the area be split into fixed and variable costs so they could look at which categories items needed to be allocated.

Members discussed whether they needed to look at the Revenue Outturn on a monthly basis. Members were happy for Officers to monitor the Revenue Outturn and report any concerns to the Charter Trust.

Councillor Holroyd sought clarification on the budget profile which was provided by the Finance Officer.

Resolved: (i) That the outturn position for the quarter ended 30 June 2011 be noted.

(ii) That the projected outturn to 31 March 2012 be noted.

(iii) That the proposed supplies services budget revision be approved.

(iv) That the Mayor's Hospitality budget be broken down further.

Meeting Terminated at 5.05 pm

CHARTER TRUST FOR THE CITY OF DURHAM

At the **Meeting** of the **Charter Trust for the City of Durham** held in the Committee Room 1A - County Hall, Durham, on Wednesday 16 November 2011 at 4.00 pm

Present: The Right Worshipful the Mayor of Durham, Councillor Les Thomson (in the Chair) and Councillors G Holland, K Holroyd, A Hopgood, N Martin, J Turnbull and J Wilkinson

The Mayor advised Trustees that the meeting was not quorate so it would be advisory and no decisions would be made.

1 Apologies for Absence

Apologies for absence were received from Councillors Chaplow, Crooks, B Myers, Simmons, Wilkes, M Wood and C Woods.

2 Minutes of the Meeting held on 19 July 2011.

Trustees sought clarification on why the budget was broken down further. Trustees were advised that this had been a request from a Trustee.

The Minutes of the Meeting held on 19 July 2011 were noted.

3 Updates

The Clerk to the Charter Trust submitted a comprehensive report to provide Trustees with a progress update in respect of Civic Transport and the Internal Audit Report.

The Clerk advised Trustees that a meeting would be held with the Head of Transport that week or early next week which the 3 Trustees identified would be invited to attend.

The Clerk also advised Trustees that no interest had been shown for the vacancy of Pant Master and she suggested that the position be advertised.

The Mayor asked Trustees if there would be any objections to the meeting scheduled to be held on 18 January 2012 being held in the Town Hall to allow a Member of the Bodyguard to be sworn in.

Recommended: (i) That the report be noted and Trustees be kept informed of progress.

(ii) That the Clerk approach David Marrs, who had previously held the position of Pant Master to ascertain if he would be interested again in the position. If no interest then the Clerk to approach the Freeman, Mayor's Bodyguard then the Bodyguard's waiting list.

(iii) That the meeting of the Charter Trust for the City of Durham scheduled to be held on 18 January 2012 be held at the Town Hall, Durham.

4 Revenue Outturn for the quarter ended 30 September 2011 and projected Outturn to the 31 March 2012

The Treasurer to the Charter Trust submitted a comprehensive report which provided information on the actual expenditure compared to the profiled budget for the period ending 30 September 2011 and the forecast expenditure to 31 March 2012 in comparison to the 2011/12 original budget.

The Clerk advised Trustees that the £500 donation to Royal British Legion would be an annual contribution.

Recommended: (i) That the outturn position for the quarter ended 30 September 2011 be noted.

(ii) That the forecast outturn to 31 March 2012 be noted.

5 Revenue Budget 2012/13

The Treasurer to the Charter Trust submitted a comprehensive report that provided information to initiate discussions on the budget requirement for 2012/13 and consequential level of council tax.

Charter Trustees sought clarification on the increase for Support Services. The Treasurer advised Trustees that Support Services was not just salaries it also included on costs.

Trustees discussed if they could use the reserves which would enable them to reduce the precept and sought clarification on what would happen to the reserves if a Town Council was established. Officers advised Trustees that if they lowered the precept considerably it would be difficult to increase at a later date unless they held a referendum due to the Localism Act 2011.

Trustees raised concerns should the reserves be handed over to a Town Council as this had been collected from the former City of Durham area and not the new Town Council area.

Trustees suggested that a working group be established to look at the budget then a special meeting be held early January.

Recommended: (i) That the deadline for agreeing the precept for 2012/13 be noted.

(ii) That the precept be agreed at the meeting to be held on 18 January 2012.

(iii) That a working group be established to look at the budget that consisted of the Mayor, Deputy Mayor, Councillor Martin, one Labour Member and the Clerk and Treasurer.

(iv) That a special meeting of the Charter Trust for the City of Durham be held in January 2012 to look at the budget.

6 Any Other Business

Trustees raised concerns that the new Civic Protocol and Order of Precedence had not been adhered to by other people at a recent event held at Durham Cathedral, even though a copy had been provided to everyone beforehand.

Meeting Terminated at 4.55 pm

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Charter Trust for the City of Durham

18 January 2012

**Revenue Outturn for the Quarter
ended 31st December 2011 and
Projected Outturn to 31st March 2012**



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 profiled budget for the period ending 31st December 2011
 - forecast of expenditure to 31 March 2012 in comparison to the 2011/12 original budget

COMPARISON OF REVENUE OUTTURN WITH BUDGET

- 2 At 31st December 2011 actual expenditure was £89,225, an underspend of £5,193 (or 5.5%) against a profiled budget of £94,417.
- 3 It is anticipated that the actual outturn at 31 March 2012 will be £108,237, £7,160 less than the annual budget of £115,397. Nevertheless it will be necessary to closely monitor expenditure to ensure it does not exceed the budget at the financial year end.
- 4 An analysis of the expenditure over subjective budget headings is set out in Appendix B and further detailed analyses of variable costs are provided in Appendix C.
- 5 Explanations regarding the main variances between actual expenditure and the budget are provided below:

TRANSPORT

- 6 Actual expenditure is slightly higher than the profiled budget to date by £553 or 4.4%, which is mainly due to an increased number of functions which have taken place in November and December. It is anticipated that actual outturn will be in line with the annual budget at the year end.

- 7 Further details on transport related expenditure to the end of December 2011 is provided in Appendix C.

SUPPLIES AND SERVICES

- 8 Expenditure on supplies and services to date is £5,611 less than the profiled budget. Although it is extremely difficult to forecast, outturn is anticipated to be £6,025 under budget at the year end.
- 9 Further detail on actual hospitality, functions, and general office expenditure to the end of December 2011 is provided for your information in Appendix C.

CONTINGENCIES

- 10 A sum of £1,000 was originally set aside to meet any unforeseen expenditure throughout the year. It is anticipated that there will be no need to draw from contingencies and consequently the projected outturn has been based upon an underspend of the full amount of £1,000.

FORECAST OUTTURN

- 11 The latest forecast of expenditure to 31st March 2012 is £108,237; an underspend of £7,160 (or 6.2%) against the original budget. Any underspend at the year end will be transferred to the general reserve.

GENERAL RESERVE

- 12 The general reserve balance currently stands at £25,650. If the forecast underspend is added to this balance, general reserves at 31st March 2012 will increase to £32,810 which is 28% of the annual budget.

RECOMMENDATIONS

- 13 It is **RECOMMENDED** that the City of Durham Charter Trustees:
- note the outturn position for the quarter ended 31 December 2011;
 - note the forecast outturn to 31 March 2012;

Contact: Beverley White, Tel. 03000 261900

Risks and Implications

Finance

The report provides information:

- on the actual expenditure compared to the profiled budget to 31 December 2011
- forecast of expenditure to 31 March 2012 in comparison to the 2011/12 original budget

Staffing

Equality and Diversity

Accommodation

Crime and Disorder

Human Rights

Consultation

Procurement

Disability Discrimination Act

Legal Implications

**Actual Outturn Compared to the Profiled Budget to 31 December 2011
and Projected Outturn to 31 March 2012**

Annual Budget 2011/12	Budget Head	Year to date Budget	Year to date Actual	Projected Outturn	Cost Type	Frequency of Payment	Variance (Projected Outturn v Budget)
£		£	£	£			£
	Employees						
3,500	Mayor's Allowance	3,500	3,500	3,500	fixed	annually in May	0
1,500	Deputy Mayor's Allowance	1,500	1,500	1,500	fixed	annually in May	0
655	NI contributions	655	580	580	fixed	annually in May	75
2,960	Sergeants at Mace/ BodyGuard	2,960	2,900	2,900	fixed	annually in May	60
	Premises						
12,850	Town Hall	12,850	12,850	12,850	fixed	annually in Sept	0
	Transport						
14,540	Civic Car	10,905	11,263	14,540	variable	monthly	0
1,500	Bus Hire	1,125	1,320	1,500	variable	monthly	0
	Supplies and Services						
12,362	Mayor's hospitality	8,241	7,758	12,362	variable	monthly	0
11,300	Functions	7,533	2,600	5,300	variable	monthly	6,000
1,000	General office expenses	667	778	1,000	variable	monthly	0
2,260	Insurance	2,260	1,955	2,260	fixed	annually in April	0
600	External Audit	0	0	575	fixed	annually	25
	Support Services						
30,370	Administration	23,221	23,221	30,370	fixed	monthly	0
7,000	Finance & procurement	7,000	7,000	7,000	fixed	annually in Sept	0
10,500	Legal/ Clerk	10,500	10,500	10,500	fixed	annually in Sept	0
500	HR	500	500	500	fixed	annually in Sept	0
1,000	ICT	1,000	1,000	1,000	fixed	annually in Sept	0
1,000	Contingency	0	0	0			1,000
115,397	Total Expenditure	94,417	89,225	108,237			7,160
Projected Underspend				7,160			

Analysis of Variable Costs to 31 December 2011

	Payee	Amount	Description	
Transport	LEES COACHES	120.00	St George's Day Parade	
	LEES COACHES	120.00	St Cuthbert's	
	LEES COACHES	120.00	St John's Ambulance- Cathedral	
	LEES COACHES	120.00	Matins for the Courts - Cathedral	
	LEES COACHES	120.00	Mayor's Evensong Cathedral	
	LEES COACHES	120.00	HMS Bulwark Parade	
	LEES COACHES	120.00	WHS 25 Anniversary - Palace Green	
	LEES COACHES	120.00	Remembrance Sunday	
	LEES COACHES	120.00	Founders & Benefactors	
	LEES COACHES	120.00	Bishop Enthronement	
	LEES COACHES	120.00	Carol Service at St Giles	
	ONGUARD CHAUFFEUR	1,337.93	Apr	
	ONGUARD CHAUFFEUR	1,332.69	May	
	ONGUARD CHAUFFEUR	947.53	Jun	
	ONGUARD CHAUFFEUR	888.54	Jul	
	ONGUARD CHAUFFEUR	451.76	Aug	
	ONGUARD CHAUFFEUR	1,505.56	Sep	
	ONGUARD CHAUFFEUR	1,475.67	Oct	
	ONGUARD CHAUFFEUR	1,616.56	Nov	
	ONGUARD CHAUFFEUR	1,689.94	Dec	
	Les Thompson	17.10	Mayor's travelling expenses	
		Total Transport	12,583.28	
	Hospitality	Various	47.52	Refreshments & stock gifts
DCC		51.70	Refreshments July	
DARLINGTON BOR COUNCIL		100.00	Charity Ball tickets	
DCC		348.10	Refreshments April	
DCC		499.56	Refreshments June	
DCC		337.89	Refreshments - events in May	
DCC		259.00	Catering recharge	
DCC		318.00	Catering for reception on 4 April	
DCC		318.00	Catering for reception on 13 April	
Cavalier Heraldry		384.50	Heraldic Shields	
ROYAL BRITISH LEGION		500.00	Contribution -Remembrance Festival	
ROYAL BRITISH LEGION		50.00	Wreaths	
DCC		516.75	Catering recharge	
T & I Bell		872.00	Evensong - Catering	
T & I Bell		1,332.00	Mayor Making - Catering	
DCC		144.12	Refreshments	
L THOMSON		62.75	Expenses	
STOCKTON ON TEES BC		100.00	Tickets - Civic Dinner	
DCC		150.35	Catering for Reception	
DCC		166.58	Hotel charges - Portsmouth	
Soccarena		550.00	Buffet - Under 16s 4 Nations football	
Great Aycliffe		55.00	Tickets - Great Aycliffe Dinner	
Stepanie's Flowers		20.00	20th anniversary	
Stepanie's Flowers		12.50	Display- Founders & Benefactors	
DCC		302.00	Printing - Xmas cards	
DCC		136.00	Refreshments- Remembrance Sunday	
DCC		123.68	Refreshments Nov	
	Total Hospitality	7,758.00		

	Payee	Amount	Description	
Functions	Arbor Timber	25.00	Mayoral Boards	
	Framing unlimited	29.50	FRAMING OF MAYORAL PORTRAIT	
	RICHARDSON DESIGNS	35.00	Rosettes	
	RICHARDSON DESIGNS	35.00	Rosettes	
	DCC	40.00	Service for the courts 10th July	
	DCC	60.00	Mayor's civic service	
	Ede & Ravenscroft	71.67	Jabot	
	DCC	80.00	Civic receptions - May	
	GRAEME STEARMAN.	100.00	Mayor Making - photography	
	MOMENTS	116.66	Mayor Making - floral displays	
	K WALKER.	140.00	MAYOR'S-BOARD sign boarding	
	DCC	614.80	Printing for April and May	
	DCC	778.40	Past Mayor's jewels	
	Charles Eagles	4.98	Civic portraits	
	Boots	31.85	Civic photographs	
	DCC	327.00	Printing - Carol service booklet	
	DCC	70.00	Janitor - Remembrance Sunday	
	DCC	40.00	Janitor - Founders & Benefactors	
		Total Functions	2,599.86	

General Office			
	Vodafone	18.81	Mobile phone Apr 11
	BRAMWELLS	23.33	Repairs to Mace
	DCC	41.61	Computer-stationery & requisites
	DCC	121.31	Photocopying
	DCC	146.45	Stationery
	Post Office	139.31	Postages
	DCC	75.00	Article in ABF-Remembrance Festival
	Friends of Durham Cathedral	20.00	Annual subscription
	DCC	19.70	Photocopying
	DCC	101.78	Postages
	Vodafone	21.42	Mobile phone JUL 11
	Vodafone	19.88	Mobile phone Oct 11
	DCC	29.04	Toner cartridge
	Total General Office	777.64	

Charter Trust for the City of Durham

18 January 2012

Revenue Budget 2012/13



City of Durham

Report of Jeff Garfoot, Treasurer

INTRODUCTION

- 1 The purpose of this report is to provide information to enable Charter Trustees to:
 - approve the appropriate budget requirement for 2012/13; and
 - approve the basic level of council tax required.

BACKGROUND

- 2 Two budget options were presented to Trustees at the last meeting held on 16 November 2011; Option A provided for a standstill budget and Option B was a budget option to retain council tax at the same level as 2011/12.
- 3 At that meeting, Charter Trustees decided to set up a budget working group with responsibility for considering alternative budgets for 2012/13 and recommending their preferred option which would be presented to Charter Trustees for approval.
- 4 This working group has considered the options presented at the meeting on 16 November 2011. After considering these options and other Trustee priorities for 2012/13, a revised budget proposal is presented in this report.

BUDGET 2012/13

- 5 When considering next year's budget, the budget working group has been mindful of the Government's decision to reduce public sector expenditure over the coming years. The group is therefore proposing to reduce the council tax requirement for 2012/13.

- 6 The general assumptions upon which the budget has been determined are as follows:

	<u>Increase from 2011/12 Budget</u>
	%
Council Tax Base	0.48
Allowances	0
Pay Award	0
Fuel increases (Transport)	10
General Inflation	2

- 7 The Olympics and the Queen's Diamond Jubilee are two major events taking place in 2012 which have had a significant influence on budget determinations. Due to an increase in activities expected as a consequence of these events, the following budget increases are proposed:

	<u>Increase from 2011/12 Budget</u>
	£
Civic Car	2,000
Mayor's Hospitality	5,000
General office	500

- 8 It is considered prudent to leave a small contingency sum of £1,000 in the 2012/13 budget to provide a degree of in year flexibility.
- 9 In order to set a budget which will allow for expected increases in activity whilst also allowing for a reduction in council tax, it is proposed to draw £11,000 from Reserves to balance the budget.
- 10 If this transfer from Reserves was approved, Reserves at 1 April 2012 are forecast to total £21,810, which is 19.2% of the proposed budget requirement.
- 11 The proposed budget for 2012/13 is set out in detail in Appendix B. If approved, the budget requirement will decrease slightly to £113,445 and the Band D Council Tax will reduce to £4.20 (i.e. a reduction from the 2011/12 levy of £0.09 or 2.1%).
- 12 The amount of council tax for each valuation band of dwelling for the proposed budget is provided in Appendix C.

RECOMMENDATIONS

13 It is **RECOMMENDED** that the City of Durham Charter Trustees:

- approve the budget requirement for 2012/13; and
- approve the basic level of council tax required.

Contact: Beverley White, Tel. 03000 261900

Risks and Implications

Finance

The report provides information to enable Charter Trustees to consider the level of council tax and revenue budget requirement for 2012/13

Staffing

Equality and Diversity

Accommodation

Crime and Disorder

Human Rights

Consultation

Procurement

Disability Discrimination Act

Legal Implications

Appendix B

Charter Trust for the City of Durham - Budget Options for 2012/13

	Budget 2011/12 £	Forecast Outturn 2011/12 £	Proposed Budget 2012/13 £
Employees			
Mayor's Allowance	3,500	3,500	3,500
Deputy Mayor's Allowance	1,500	1,500	1,500
NI contributions	655	580	580
Sergeants at Mace/ Body Guard	2,960	2,900	2,900
Premises			
Town Hall	12,850	12,850	13,107
Transport			
Civic Car	14,540	14,540	17,120
Bus Hire	1,500	1,500	1,650
Supplies & Services			
Mayor's hospitality	12,362	12,362	17,487
Functions	11,300	11,300	11,414
General office expenses	1,000	1,000	1,520
Insurance	2,260	2,260	2,305
External Audit	600	600	612
Support Services			
Administration	30,370	30,370	30,370
Finance & procurement	7,000	7,000	7,140
Legal/ Clerk	10,500	10,500	10,710
HR	500	500	510
ICT	1,000	1,000	1,020
Contingency	1,000	0	1,000
Total Expenditure	115,397	114,262	124,445
Transfer from Reserves			-11,000
Council Tax Requirement	115,397		113,445
Band D Council Tax	4.29		4.20
% Council Tax Increase/-Decrease			-2.10%

**Amount of Council Tax for each Valuation
Band of Dwelling for 2012/13**

Valuation Band	Proportion of Basic Amount	Proposed Council Tax £
A	6/9	2.80
B	7/9	3.27
C	8/9	3.73
D	<i>'basic amount'</i>	4.20
E	11/9	5.13
F	13/9	6.07
G	15/9	7.00
H	18/9	8.40