

Charter Trustees for the City of Durham

22 January 2020

Revenue Outturn for the period ending 31 December 2019 and Projected Outturn to 31 March 2020



City of Durham

Report of Jeff Garfoot, Treasurer

Purpose of the Report

- 1 The purpose of this report is to provide information on the:
 - actual expenditure compared to the profiled budget for the period ending 31 December 2019;
 - forecast of expenditure to 31 March 2020 in comparison to the 2019/20 original budget.

Background

- 2 The Charter Trustees for the City of Durham approved the Revenue budget for 2019/20 at its meeting on 5 December 2018.

Comparison of Revenue Outturn with Budget

- 3 At 31 December 2019 actual net expenditure was £48,649; an underspend of £10,272 (or 17.43%) against a profiled budget of £58,921.
- 4 It is anticipated that actual expenditure at 31 March 2020 will be lower than the original budget of £68,856 by £6,925 (or 10.06%). The sum required to be drawn from reserves to balance the budget is therefore expected to reduce from £13,543 to £6,604.
- 5 An analysis of the expenditure over subjective budget headings is set out in Appendix 2.
- 6 Explanations regarding the main variances between actual expenditure and the budget are provided below:

Transport

- 7 Based upon the current activity levels, it is anticipated that actual expenditure on transport will be £10,150 at the financial year end which is £417 (or 3.95%) less than the original budget.

Supplies and Services

- 8 The total expenditure on supplies and services is £5,238 less than the profiled budget to date. Based upon the activity levels to date, the supplies and services outturn figure at 31 March 2020 is expected to be £20,742; an overspend of £1,982 (or 10.57%) in comparison to the annual budget.

Income

- 9 It is anticipated that actual income will be £3,532 at the financial year end which is £3,502 more than the original budget. This is mainly due to the recovery of bank charges relating to 2018/19 and 2019/20 from Durham County Council.

Forecast of Outturn

- 10 The latest forecast of net expenditure to 31 March 2020 is £61,931, an underspend of £6,925 (or 10.06%) against the net expenditure budget of £68,856.

General Reserve

- 11 The general reserve balance at 1 April 2019 was £63,417. With a projected underspend of £6,939, the amount required to be drawn from reserves would be £6,604, rather than the original budget figure of £13,543. Consequently the reserve balance would decrease to £56,813 as at 31 March 2020.

VAT

- 12 As at 31 December 2019 the total VAT paid and reclaimed was £9,146.35.

Recommendations

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

- note the outturn position for the period ended 31 December 2019;
- note the forecast of outturn to 31 March 2020;

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RISKS AND IMPLICATIONS

Legal Implications

None.

Finance

The report provides information on the:

- actual expenditure compared to the profiled budget to 31 December 2019
- forecast of expenditure to 31 March 2020 in comparison to the 2019/20 original budget

Consultation

None.

Equality and Diversity / Public Sector Equality Duty

None.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

None.

Procurement

None.

**ACTUAL OUTTURN COMPARED TO THE PROFILED BUDGET TO
31 DECEMBER 2019 AND PROJECTED OUTTURN TO 31 MARCH 2020**

Annual Budget 2019/20	Budget Head	Profiled budget to date	Year to date Actual	Projected Outturn	Variance (Projected Outturn v Annual Budget)
£		£	£	£	£
	<u>Employees</u>				
3,500	Mayor's Allowance	3,500	0	0	-3,500
1,500	Deputy Mayor's Allowance	1,500	0	0	-1,500
	<u>Premises</u>				
3,607	Town Hall	0	0	3,607	0
	<u>Transport</u>				
6,801	Civic Car	5,101	4,356	6,200	-601
975	Bus Hire	731	840	1,200	225
2,791	Sergeants at Mace/ Bodyguard	2,791	2,750	2,750	-41
	<u>Supplies and Services</u>				
17,068	Mayor's Hospitality	12,801	5,664	16,000	-1,068
496	General Office Expenses	372	1,259	1,500	1,004
861	Insurance	861	849	849	-12
335	External Audit	335	0	335	0
0	Bank Charges	0	1,359	2,058	2,058
	<u>Support Services</u>				
17,936	Administration	17,936	17,946	17,946	10
13,016	Support Services	13,016	13,018	13,018	2
	<u>Income</u>				
0	Mayor's Civic Dinner	0	618	618	618
-30	Bank Interest	-23	-10	-30	0
0	Bank Charges–DCC Contribution	0	0	-4,120	-4,120
68,856	Net Expenditure	58,921	48,649	61,931	-6,925
-6,121	Council Tax Support Grant	-6,121	-6,135	-6,135	-14
-13,543	Transfer to / -from Reserves	0	0	-6,604	6,939
49,192	Net budget	52,800	42,514	49,192	0