

# Charter Trustees for the City of Durham

20 October 2021

## Revenue Outturn for the period ending 30 September 2021 and Projected Outturn to 31 March 2022



City of Durham

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### Report of Jeff Garfoot, Treasurer

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#### Purpose of the Report

- 1 The purpose of this report is to provide information on the:
  - a) actual expenditure compared to the profiled budget for the period ending 30 September 2021;
  - b) forecast of expenditure to 31 March 2022 in comparison to the 2021/22 original budget.

#### Background

- 2 The Charter Trustees for the City of Durham approved the Revenue budget for 2021/22 at its meeting on 27 November 2020.

#### Comparison of Revenue Outturn with Budget

- 3 At 30 September 2021 actual net expenditure was £34,225; an underspend of £6,883 (or 16.74%) against a profiled budget of £41,108.
- 4 It is anticipated that actual net expenditure at 31 March 22 will be lower than the original budget of £71,201 by £13,521 (or 18.99%). The sum required to be drawn from reserves to balance the budget is expected to reduce from £15,162 to £1,641.
- 5 The above forecast of outturn position is mainly due to the ongoing impact of the Covid-19 pandemic on the work of the Charter Trustees. I have been prudent with my forecast of the

projected outturn as it is still difficult to project accurately the year-end position.

- 6 An analysis of the expenditure over subjective budget headings is set out in Appendix 2.
- 7 Explanations regarding the main variances between actual expenditure and the budget are provided below:

### **Employees**

- 8 The forecast expenditure matches the budget set for the Mayor and Deputy Mayor's Allowance.

### **Transport**

- 9 It is anticipated that actual expenditure on transport will be £5,750 at the financial year end which is £5,114 (or 47.87%) less than the original budget. This is mainly due to the underspend in respect of the use of the Civic Car.

### **Supplies and Services**

- 10 The total expenditure on supplies and services is £9,299 less than the profiled budget to date. Based on an estimate of future spending, the supplies and services outturn figure at 31 March 2022 is expected to be £11,723; an underspend of £7,670 (or 39.55%) in comparison to the annual budget. The projected underspend is in respect of the Mayor's Hospitality budget and reflects the fact that only £298 has been spent to date due to the pandemic.

### **Forecast of Outturn**

- 11 The latest forecast of net expenditure to 31 March 2022 is £57,680, an underspend of £13,521 (or 18.99%) against the net expenditure budget of £71,201.

### **General Reserve**

- 12 The general reserve balance at 1 April 2021 was £75,114. With a projected underspend of £13,521, the amount required to be drawn from reserves would be £1,641, rather than the original budget figure of £15,162. Consequently, the reserve balance would decrease to £73,473 as at 31 March 2022.

## **VAT**

- 13 As at 30 September 2021 the total VAT paid and reclaimed was £6,174.84.

## **Budget Setting 2022/23**

- 14 A report will be presented to the meeting on the 8 December 2021 to provide information to enable the Charter Trustees to determine the budget requirement for 2022/23 and the basic level of council tax for the financial years 2022/23 to 2025/26.
- 15 There is also a meeting scheduled for the 26 January 2022 which may be required to agree the precept for 2022/23 in order to meet the Council's deadline.

## **Recommendation**

- 16 It is recommended that the City of Durham Charter Trustees:
- a) note the outturn position for the period ended 30 September 2021;
  - b) note the forecast of outturn to 31 March 2022;
  - c) note the 2022/23 Budget report will be presented to the meeting on 8 December 2021.

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## **Appendix 1: Implications**

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### **Legal Implications**

None.

### **Finance**

The report provides information on the:

- actual expenditure compared to the profiled budget to 30 September 2021
- forecast of expenditure to 31 March 2022 in comparison to the 2021/22 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.

**Appendix 2: Actual Outturn Compared to the Profiled Budget to 30 September 2021 and Projected Outturn to 31 March 2022**

<b>Annual Budget 2021/22</b>	<b>Budget Head</b>	<b>Profiled budget to date</b>	<b>Year to date Actual</b>	<b>Projected Outturn</b>	<b>Variance (Projected Outturn v Annual Budget)</b>
<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b><u>Employees</u></b>				
3,500	Mayor's Allowance	0	0	3,500	0
1,500	Deputy Mayor's Allowance	0	0	1,500	0
	<b><u>Premises</u></b>				
3,734	Town Hall	0	0	3,734	0
	<b><u>Transport</u></b>				
6,729	Civic Car	3,365	5	2,500	-4,229
1,242	Bus Hire	621	0	500	-742
2,893	Sergeants at Mace/ Bodyguard	2,893	2,750	2,750	-143
	<b><u>Supplies and Services</u></b>				
17,670	Mayor's Hospitality	8,835	298	10,000	-7,670
514	General Office Expenses	257	357	514	0
862	Insurance	862	0	862	0
347	External Audit	0	0	347	0
	<b><u>Support Services</u></b>				
18,763	Administration	18,763	17,312	18,000	-763
13,477	Support Services	13,477	13,503	13,503	26
	<b><u>Income</u></b>				
0	Mayor's Civic Dinner	0	0	0	0
-30	Bank Interest	-15	0	-30	0
<b>71,201</b>	<b>Net Expenditure</b>	<b>41,108</b>	<b>34,225</b>	<b>57,680</b>	<b>-13,521</b>
-6,709	<b>Council Tax Support Grant</b>	-6,709	-6,709	-6,709	0
-15,162	<b>Transfer to / -from Reserves</b>	0	0	-1,641	13,521
<b>49,330</b>	<b>Net budget</b>	<b>34,399</b>	<b>27,516</b>	<b>49,330</b>	<b>0</b>