

# Charter Trustees for the City of Durham

19 October 2022

## Revenue Outturn for the period ending 30 September 2022 and Projected Outturn to 31 March 2023



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 2022;
  - b) forecast of expenditure to 31 March 2023 in comparison to the 2022/23 original budget.

#### Background

- 2 The Charter Trustees for the City of Durham approved the Revenue budget for 2022/23 at its meeting on 08 December 2021.

#### Comparison of Revenue Outturn with Budget

- 3 At 30 September 2022 actual net expenditure was £45,023; an underspend of £5,523 (or 10.93%) against a profiled budget of £50,546.
- 4 It is anticipated that actual net expenditure at 31 March 2023 will be lower than the original budget of £72,763 by £6,431 (or 8.84%). The sum required to be drawn from reserves to balance the budget is expected to reduce from £15,780 to £9,349.
- 5 The above forecast of outturn position is mainly due to the projected underspend on the Mayor's Hospitality. If the actual expenditure increases during the remainder of the financial year,

it will simply increase the transfer from the General Reserve to be more in line with the agreed budget.

- 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 £11,700 at the financial year end which is £780 (or 13.33%) more than the original budget. This is mainly due to a projected overspend in respect of the use of the Civic Car.

### **Supplies and Services**

- 10 The total expenditure on supplies and services is £4,699 less than the profiled budget to date. Based on an estimate of future spending, the supplies and services outturn figure at 31 March 2023 is expected to be £13,998; an underspend of £5,881 (or 29.58%) in comparison to the annual budget. The projected underspend is mainly in respect of the Mayor's Hospitality budget and reflects the fact that only £4,184 has been spent to date.

### **Forecast of Outturn**

- 11 The latest forecast of net expenditure to 31 March 2023 is £66,332, an underspend of £6,431 (or 8.84%) against the net expenditure budget of £72,763.

### **General Reserve**

- 12 The general reserve balance at 1 April 2022 was £80,358. With a projected underspend of £6,431, the amount required to be drawn from reserves would be £9,349, rather than the original budget figure of £15,780. Consequently, the reserve balance would decrease to £71,009 as at 31 March 2023.

## **VAT**

- 13 As at 30 September 2022 the total VAT paid and reclaimed was £899.18.

## **Budget Setting 2023/24**

- 14 A report will be presented to the meeting on the 7 December 2022 to provide information to enable the Charter Trustees to determine the budget requirement for 2023/24 and the basic level of council tax for the financial years 2023/24 to 2026/27.
- 15 There is also a meeting scheduled for the 25 January 2023 which may be required to agree the precept for 2023/24 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 2022;
  - b) note the forecast of outturn to 31 March 2023;
  - c) note the 2023/24 Budget report will be presented to the meeting on 7 December 2022.

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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 2022
- forecast of expenditure to 31 March 2023 in comparison to the 2022/23 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 2022 and Projected Outturn to 31 March 2023**

Annual Budget 2022/23	Budget Head	Profiled budget to date	Year to date Actual	Projected Outturn	Variance (Projected Outturn v Annual Budget)
£		£	£	£	£
	<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>				
3,827	Town Hall	0	0	3,827	0
	<b><u>Transport</u></b>				
6,897	Civic Car	3,449	4,016	7,800	903
1,273	Bus Hire	636	410	1,000	-273
2,750	Sergeants at Mace/ Bodyguard	2,750	2,900	2,900	150
	<b><u>Supplies and Services</u></b>				
18,112	Mayor's Hospitality	9,056	4,184	12,000	-6,112
527	General Office Expenses	263	528	850	323
884	Insurance	884	848	848	-36
356	External Audit	356	300	300	-56
	<b><u>Support Services</u></b>				
19,326	Administration	19,326	18,424	18,424	-902
13,841	Finance/Legal/ICT/HR	13,841	13,413	13,413	-428
	<b><u>Income</u></b>				
0	Mayor's Civic Dinner	0	0	0	0
-30	Bank Interest	-15	0	-30	0
<b>72,763</b>	<b>Net Expenditure</b>	<b>50,546</b>	<b>45,023</b>	<b>66,332</b>	<b>-6,431</b>
-6,787	<b>Council Tax Support Grant</b>	-6,787	-6,787	-6,787	0
-15,780	<b>Transfer to / -from Reserves</b>	0	0	-9,349	6,431
<b>50,196</b>	<b>Net budget</b>	<b>43,759</b>	<b>38,236</b>	<b>50,196</b>	<b>0</b>