

Charter Trust for the City of Durham

19 September 2012

Revenue Outturn for the Period ending 31 July 2012 and Projected Outturn to 31 March 2013



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 31 July 2012
 - forecast of expenditure to 31 March 2013 in comparison to the 2012/13 original budget

COMPARISON OF REVENUE OUTTURN WITH BUDGET

- 2 At 31 July 2012 actual expenditure was £28,464; an underspend of £3,819 (or 11.8%) against a profiled budget of £32,283.
- 3 It is anticipated that there will be a small underspend of £1,408 at 31 March 2013. Consequently the amount needed to be drawn from reserves during the year will reduce by £1,408, to £20,005, in order to match the net annual budget of £103,032. It will be necessary, however, 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 2. Detailed analyses for all variable costs, namely transport, hospitality, functions and general office expenses, are provided in Appendix 3.
- 5 Explanations regarding the main variances between actual expenditure and the budget are provided below:

TRANSPORT

- 6 Actual expenditure is higher than the profiled budget to date by £419. This is due to an exceptionally busy month of June resulting in higher than expected chauffeuring costs. At this early stage in the year, it is

anticipated that actual expenditure will be in line with the annual budget at the financial year end, although it will be necessary to closely monitor expenditure to ensure it does not exceed the budget.

SUPPLIES AND SERVICES

- 7 Although the total expenditure on supplies and services is less than the profiled budget to date by £4,135, outturn is expected to be in line with the budget at the year end. This is due to the higher number of functions planned in the latter half of the financial year. Expenditure will need to be closely monitored however to ensure actual expenditure does not exceed the annual budget within this heading.
- 8 Further detail on actual expenditure to the end of September 2011 is provided in Appendix C.

CONTINGENCIES

- 9 A sum of £1,000 was set aside to meet any unforeseen expenditure throughout the year. The projected outturn has been based upon a forecast underspend of this full amount, assuming that this sum will not be required during the year.

FORECAST OUTTURN

- 10 The latest forecast of expenditure to 31 March 2013 is a small underspend of £1,408 (or 1.1%) against the gross expenditure budget of £124,445. Any underspend at the year end will reduce the amount required to be transferred from the general reserve.

GENERAL RESERVE

- 11 The general reserve balance at 1 April 2012 was £36,023. With an underspend of £1,408, the amount required to be drawn from reserves in order to balance the budget at 31 March 2013 decreases from the original estimate of £21,413 to £20,005. Consequently, the general reserve balance will reduce to £16,018.

RECOMMENDATIONS

- 12 It is **RECOMMENDED** that the City of Durham Charter Trustees:
- note the outturn position for the quarter ended 31 July 2012;
 - note the forecast outturn to 31 March 2013;

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RISKS AND IMPLICATIONS

Finance

The report provides information:

- on the actual expenditure compared to the profiled budget to 31 July 2012
- forecast of expenditure to 31 March 2013 in comparison to the 2012/13 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 JULY 2012 AND
PROJECTED OUTTURN TO 31 MARCH 2013**

Annual Budget 2012/13	Budget Head	Year to date Budget	Year to date Actual	Projected Outturn	Frequency of Payment	Variance (Projected Outturn v Budget)
£		£	£	£		£
	Employees					
3,500	Mayor's Allowance	3,500	3,500	3,500	annually in May	0
1,500	Deputy Mayor's Allowance	1,500	1,500	1,500	annually in May	0
580	NI contributions	580	574	574	annually in May	6
2,900	Sergeants at Mace/ Body Guard	2,900	2,809	2,809	annually in May	91
	Premises					
13,107	Town Hall	0	0	13,107	annually in Sept	0
	Transport					
17,120	Civic Car	4,280	4,871	17,120	monthly	0
1,650	Bus Hire	413	240	1,650	monthly	0
	Supplies and Services					
17,487	Mayor's hospitality	4,372	3,395	17,487	monthly	0
11,414	Functions	2,854	236	11,414	monthly	0
1,520	General office expenses	380	151	1,520	monthly	0
2,305	Insurance	2,305	1,994	1,994	annually in April	311
612	External Audit	0	0	612	annually	0
	Support Services					
30,370	Administration	9,200	9,194	30,370	monthly	0
7,140	Finance & procurement	0	0	7,140	annually in Sept	0
10,710	Legal/ Clerk	0	0	10,710	annually in Sept	0
510	HR	0	0	510	annually in Sept	0
1,020	ICT	0	0	1,020	annually in Sept	0
1,000	Contingency	0	0	0		1,000
124,445	Gross expenditure	32,283	28,464	123,037		1,408
-21,413	Transfer from Reserves	0	0	-20,005		-1,408
103,032	Net Expenditure	32,283	28,464	103,032		0
Over/ -Underspend				0		

ANALYSIS OF VARIABLE COSTS TO 31 JULY 2012

Budget Head	Payee	Amount	Description
Transport	Onguard Chauffeur Service	1,047.66	Apr
	Onguard Chauffeur Service	1,230.33	May
	Onguard Chauffeur Service	2,592.82	June
	Lee's Coaches	120.00	
	Lee's Coaches	120.00	
	Total Transport		5,110.81
Hospitality	T&I Bell	1,388.00	Mayor Making Ceremony
	T&I Bell	872.00	Mayors Evensong
	Graeme Stearman	60.00	Photography - Portraits
	Stephanies Flowers	110.00	Mayor Making Display
	Hartlepool Borough Council	80.00	Civic Dinner Tickets
	DCC	238.50	Catering Recharge
	DCC	70.70	Refreshments
	DCC	198.75	Catering Recharge
	DCC	176.19	Catering Recharge
	Burns Crystal Glass Ltd	200.84	Clock/ Paperweight
Total Hospitality		3,394.98	
Functions	Durham County Council	56.00	Ball Tickets
	Kyle Walker	180.00	Mayors Board
	Total Functions		236.00
General Office	Friends of Durham Cathedral	35.00	Annual Subscription
	Framing Unlimited	14.50	Frames for Certificates
	Co-op Bank	60.00	Bank charges
	DCC	52.00	Printing - Business Cards
	DCC	8.07	Stationery
	Total General Office		169.57