

Charter Trustees

24 July 2013

Financial Arrangements for the Shared Mayor of Durham and Chairman of the County Council



Report of Jeff Garfoot, Treasurer of Charter Trust

Purpose of the Report

- 1 To provide an update on the forecast impact upon the budget of the Charter Trustees due both to the Mayor of Durham and Chairman of the County Council being carried out by Councillor Pauline Charlton.

Background

- 2 Following the election of the Chairman of the Council as Mayor, officers at the Council have been exploring where savings can be made within the Council as a result of one person undertaking the two separate roles. A number of issues need to be resolved but this report will provide an update on each line of the Charter Trust budget on where savings could be made due to both roles now being carried out by Councillor Pauline Charlton and what the arrangements are expected to be in the future.

Charter Trust Budget

- 3 Each budget line is detailed below with a summary of the current understanding of the future arrangements.

Mayor/Deputy Mayors Allowance including National Insurance (£5,574)

- 4 It is understood that neither the Mayor nor Deputy Mayor intend to accept the Mayors or deputy Mayors allowance. This will save £5,574 in 2013/14. The same sum will be saved if this policy is continued in the future.

Sergeant at Mace/Bodyguards (£2,809)

- 5 It is expected that these costs will continue in the future.

Town Hall (£18,796)

- 6 Negotiations will need to be held with Facilities Management staff within the County Council to determine the charge under the revised arrangements. It may be that the Charter Trust agree to a hire charge for the times when the Town Hall facilities are to be used rather than a flat fee for the year. This will need to be the subject of a future report to the Charter Trust.

Car/Bus Hire (£16,271)

- 7 An analysis is required on the optimum arrangement for transport in the future. It would be practical for the council's transport arrangements to be utilised with a corresponding recharge to the Charter Trust at probably less costs than would have been the case, but a value for money assessment will be required in this regard. Again this will be subject to a future report to the Charter Trust.

Hospitality/Functions Budget (£24,135)

- 8 It is understood that costs will only be charged to this budget where the Mayor is acting only as Mayor rather than in the joint role. This will need to be monitored carefully throughout the year to assess what the annual budget should be for 2014/15. It is expected that there will be savings achieved against this budget.

Office Expenses (£1,020)

- 9 Some office expenses budget will be required but again this will be assessed throughout the year to assess what the ongoing budget should be. It is expected there will be savings in this budget.

Insurance (£2,034)

- 10 The insurance costs for items such as the Mayoral chains will need to continue.

Audit (£624)

- 11 The accounts of the trust will still need to be audited so these costs are expected to continue.

Administration (£30,674)

- 12 The secretarial support for the Mayor is going to be based part time at County Hall in the short term and will provide some cover for maternity leave in the Democratic Services team at County Hall. A proportion of the costs will therefore need to be picked up by the County Council. This will generate savings to the Trust in 2013/14. Additional work will be required in the coming months to determine the optimum method for providing secretarial support to the Mayor and Chairman. Once these arrangements are agreed an apportionment of costs will be required to enable this to be included in the Charter Trust 2014/15 budget.

Support Services (£17,442)

- 13 There will still be a need for support services with detailed work required over the coming months to agree the revised arrangements for 2013/14 and beyond. It is expected however that reduced support should be required in 2014/15 enabling a reduction in the support service cost.

Summary

- 14 In a number of areas the costs to the Trust will reduce in 2013/14 which will result in an underspend. Similarly the costs will reduce in 2014/15 which will need to be assessed by the Trustees in setting the budget and precept for 2014/15.
- 15 A further report will need to be presented to Trustees after the summer which provides clarity on what the arrangements will be for areas such as transport and the town hall in the future.

Recommendations

- 16 The Charter Trustees are asked to note the content of the report and to agree to receive a further report which will provide additional clarity on costs and savings in the Autumn.

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