

Charter Trustees for the City of Durham

11 November 2013

Revenue Outturn for the period ending 30 September 2013 and Projected Outturn to 31 March 2014



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 30 September 2013;
 - forecast of expenditure to 31 March 2014 in comparison to the 2013/14 original budget.

COMPARISON OF REVENUE OUTTURN WITH BUDGET

- 2 At 30 September 2013 actual net expenditure was £22,472; an underspend of £11,161 (or 33.19%) against a profiled budget of £33,633.
- 3 As a consequence of the decision to merge the roles of the Mayor of the City of Durham and Chairman of Durham County Council it is anticipated that actual expenditure at 31 March 2014 will be significantly lower than the original budget (by 34.39% or £38,629). There should no longer be a requirement to draw from reserves in order to balance the budget; instead a contribution to reserves of £27,353 is anticipated.
- 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 and general office expenses, are provided in Appendix 3.
- 5 Explanations regarding the main variances between actual expenditure and the budget are provided below:

PREMISES

- 6 Due to the sharing of the Mayor and Chairman roles and the relocation of the Mayor's personal assistant, the Council has agreed to reduce the annual charge for use of the Town Hall to £7,523 (from £11,796); the result is a saving of £4,273 or 36.22%.

TRANSPORT

- 7 Since the contract with Onguard chauffeuring services was terminated transport arrangements are being made through Durham County Council's chauffeuring service. The charges from the Council's chauffeuring service are the same as those of Onguard, in line with the decision of the Charter Trustees at their meeting of 24 July 2013. It is anticipated that actual expenditure on transport will be £7,055 at the financial year end which is £9,216 (or 56.64%) lower than the original budget. At this stage the key reason for the variance is the reduced number of journeys due to the sharing of the Mayor and Chair roles.

SUPPLIES AND SERVICES

- 8 The total expenditure on supplies and services is £5,418 less than the profiled budget to date. The supplies and services outturn figure at 31 March 2014 is expected to be £18,323; an underspend of £9,491 (or 34.12%) in comparison to the budget. This is due to:
- a significant underspend on hospitality and general office expenses, mainly due to the recent changes, and
 - an anticipated reduction in external audit fees (in line with the actual costs for the 2012/13 audit work).

SUPPORT SERVICES

- 9 With effect from 1 August 2013, it was agreed that the Mayor's personal assistant would continue to support the Mayor for half of their time and the remaining time would be spent working for the Council's Democratic Services. Therefore the forecast of outturn for Administration services to the Charter Trustees has been based upon 4 months full time (April to July) and 8 months half time salary costs (August to March). Consequently a saving of £10,026 (or 32.69%) will be achieved at 31 March 2014.

FORECAST OF OUTTURN

- 10 The latest forecast of expenditure to 31 March 2014 is £73,690, a significant underspend of £38,629 (or 34.39%) against the net expenditure budget of £112,319.

GENERAL RESERVE

- 11 The general reserve balance at 1 April 2013 was £35,355. With an underspend of £38,629 as projected, the amount available to contribute towards reserves would be £27,353. Consequently the reserve balance would increase to £62,708 as at 31 March 2014.

VAT

- 12 At the meeting held on 20 March 2013 it was agreed to provide Trustees with a summary of VAT paid and reclaimed. As at 30 September 2013 the total VAT paid and reclaimed is £2,863.12.

RECOMMENDATIONS

- 13 It is **RECOMMENDED** that the City of Durham Charter Trustees:
- note the outturn position for the period ended 30 September 2013;
 - note the forecast outturn to 31 March 2014;

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RISKS AND IMPLICATIONS

Finance

The report provides information on the:

- actual expenditure compared to the profiled budget to 30 September 2013
- forecast of expenditure to 31 March 2014 in comparison to the 2013/14 original budget

Staffing

None

Equality and Diversity

None

Accommodation

None

Crime and Disorder

None

Human Rights

None

Consultation

None

Procurement

None

Disability Discrimination Act

None

Legal Implications

None

**ACTUAL OUTTURN COMPARED TO THE PROFILED BUDGET TO
30 SEPTEMBER 2013 AND PROJECTED OUTTURN TO 31 MARCH 2014**

Annual Budget 2013/14	Budget Head	Year to date Budget	Year to date Actual	Projected Outturn	Variance (Projected Outturn v Budget)
£		£	£	£	£
	Employees				
3,500	Mayor's Allowance	0	0	0	-3,500
1,500	Deputy Mayor's Allowance	0	0	0	-1,500
574	NI contributions	0	0	0	-574
2,809	Sergeants at Mace/ Body Guard	2,809	2,750	2,750	-59
	Premises				
11,796	Town Hall	0	0	7,523	-4,273
	Transport				
14,831	Civic Car	6,180	2,655	5,855	-8,976
1,440	Bus Hire	600	480	1,200	-240
	Supplies and Services				
24,135	Mayor's hospitality	10,056	4,851	15,525	-8,610
1,020	General office expenses	425	249	400	-620
2,034	Insurance	2,034	1,997	1,997	-37
624	External Audit	0	0	400	-224
	Support Services				
30,674	Administration	11,559	9,515	20,648	-10,026
6,885	Finance & procurement	0	0	6,885	0
9,639	Legal/ Clerk	0	0	9,639	0
459	HR	0	0	459	0
459	ICT	0	0	459	0
	Income				
-60	Investment income	-30	-25	-50	10
112,319	Net Expenditure	33,633	22,472	73,690	-38,629
-10,398	Council Tax Support Grant	-10,398	-10,398	-10,398	0
-11,276	Transfer from Reserves	0	0	27,353	38,629
90,645	Net budget	23,235	12,074	90,645	0

ANALYSIS OF VARIABLE COSTS TO 30 SEPTEMBER 2013

	Payee	Amount	Description
Transport	ONGUARD	874.02	Apr
	ONGUARD	567.01	May
	ONGUARD	837.41	June
	ONGUARD	376.40	July
	Lee's Coaches	120.00	9th June
	Lee's Coaches	120.00	17th June
	Lee's Coaches	120.00	14th July
	Lee's Coaches	120.00	28th July
		Total Transport	3,134.84
Hospitality	DCC	81.50	Refreshments Apr 13
	DCC	66.00	Refreshments May 13
	DCC	238.50	Refreshments May 13
	DCC	238.50	Refreshments July 13
	Richardsons	35.00	Rosettes
	T&I Bell	1,416.00	Catering
	DCC	158.02	Refreshments June 13
	DCC	238.50	Refreshments July 13
	T&I Bell	720.10	Catering
	DCC	159.00	Catering July 13
	DCC	159.00	Catering August 13
	DCC	224.12	Refreshments July 13
	DCC	25.31	Refreshments Aug 13
	Ede & Ravenscroft	307.50	Dry Cleaning
	Hartlepool Borough Council	10.00	Hartlepool Charity Night
	Finchale Training College	70.00	Salute Our Heroes Concert
	Stephanies Flowers	80.00	Flower Displays
	Framing Unlimited	21.00	Frames
	Graeme Stearman	60.00	Photography - Mayor Making 2013
	K Walker	210.00	Completion of Mayors Board
	NE Express Ltd	290.98	Collection of Mayors Robe
	Bramwells	42.00	Repairs to civic sword and mace
	Total Hospitality	4,851.03	
General Office	DCC	16.76	Photocopying
	DCC	65.09	Recharges Photocopying/ Postages etc
	Bank Commission	30.00	Qtr 1
	DCC	69.00	Printing
	DCC	38.31	Stationery
	Bank Commission	30.00	Qtr 2
		Total General Office	249.16