

Charter Trustees for the City of Durham

11 November 2013

2014/15 Budget Setting Process



City of Durham

Report of Jeff Garfoot, Treasurer

INTRODUCTION

- 1 The purpose of this report is to agree a timetable and process for setting the budget and council tax requirement for the Charter Trustees for 2014/15.

BACKGROUND

- 2 Last year Charter Trustees established a small working group with responsibility for considering various budget options for 2013/14. It is proposed that similar arrangements are put in place this year whereby a small group is created to examine budget options and report their recommendations to the Charter Trustees meeting on 8 January 2014.
- 3 The revenue budget of £90,645, approved for 2013/14, allowed the Charter Trustees to retain the Band D equivalent Council Tax at the same level as 2012/13, i.e. £3.80.

BUDGET 2014/15

- 4 In order to set a robust and accurate budget Trustees ought to take into account the:
 - forecast outturn position for the current year;
 - anticipated price increases;
 - future level of service provision required.
- 5 Early indications are that the council tax base for 2014/15 will reduce by 46.4 (from 23,854.0 to 23,807.6). Consequently the council tax receivable will decrease by £176.32 (from £90,645.20 to £90,468.88) at the current rate of band D council tax of £3.80.
- 6 The latest forecasts suggest that Government funding for Durham County Council in 2014/15 and beyond will significantly reduce. Assuming the same level of grant reduction is passed on to Town and Parish Councils and the

Charter Trustees, it is anticipated that the Local Council Tax Support Grant payable to the Charter Trustees for 2014/15 will reduce to £9,360 (by £1,038 from £10,398 in 2013/14).

- 7 Trustees should also bear in mind there is a possibility for Government to extend the Council Tax capping controls to Town and Parish Councils from 2014/15. The current limit on Council Tax increases is 2%.

PROPOSED TIMETABLE

- 8 It is suggested that members of the budget working group arrange to meet as frequently as required in order to report their proposals to Charter Trustees at the meeting arranged for 8 January 2014.
- 9 The deadline for approving the precept for 2014/15 is no later than 24 January 2014. There is a meeting of the Charter Trustees arranged for 8 January 2014 and it is recommended that this meeting be used to agree the budget and council tax requirement.

RECOMMENDATIONS

- 10 It is **RECOMMENDED** that the City of Durham Charter Trustees:
- establish a working group to consider options on the level of budget and council tax required for 2014/15 and report their recommendations to Charter Trustees at the meeting on 8 January 2014;
 - utilise the meeting arranged on 8 January 2014 to agree the precept;
 - note the deadline for agreeing the precept for 2014/15 of 24 January 2014.

Contact: Beverley White, Tel. 03000 261900

Risks and Implications

Finance

The report provides information to enable Charter Trustees to consider the level of council tax and revenue budget requirement for 2014/15

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