

CHARTER TRUSTEE MEETING



Report subject	Budget and Precept for 2020/21
Meeting date	30 January 2020
Status	Public Report
Executive summary	The Charter Trustees are required to set the budget for 2020/21 and any subsequent precept for submission to BCP Council by 31 January 2020.
Recommendations	It is RECOMMENDED that: (a) the draft budget for 2020-21 as set out in the appendix attached to the report be considered and, subject to consideration of the budget issues detailed in paragraph 2, be amended and approved; (b) subject to (a) above a precept of £137,250 be submitted to BCP Council; (c) the VAT position be noted and the Mayor and Budget Signatories be updated on the implications for the budget.
Reason for recommendations	To approve the budget for 2020/21 and any subsequent precept for submission to the Council.
Honorary Clerk	Graham Farrant
Report Authors	Karen Tompkins, Deputy Head of Democratic Services
Wards	All relevant Wards
Classification	For Decision

Background

1. The 2019/20 Budget was approved at the meeting of the Charter Trustees on 12 November 2019. It was agreed that the Charter Trustees would meet in late January 2020 to approve the budget for 2020/21 and consider any potential precept for submission to the Council.

Budget 2020/21

2. Set out in the appendix attached to the report is the proposed budget for 2020/21. Charter Trustees are asked to consider the following issues, the budget implications and the impact on any subsequent precept (we have rounded the figures):
 - (a) The budget head for staffing has been uplifted to take account of any additional salary, pension and national insurance costs.
 - (b) Hospitality - whilst the outturn figure shows a variance to the base budget it is proposed that the budget will be maintained at £12,000 to enable Charter Trustees to review and monitor the hospitality requirements of the Mayor.
 - (c) VE/VJ and D-Day Commemorations in 2020 – it is anticipated that BCP Council will identify funding to enable the National Events to be undertaken across Bournemouth, Poole and Christchurch.
 - (d) Mayor Making for 2020 – the Charter Trustees are asked to consider any specific arrangements that need to be put in place.
 - (e) Purchase of a Past Mayor's Badge for the outgoing Mayor, funded from the Civic Budget for Regalia – cost of badge for current Mayor to be presented at the AGM on 29 May 2020 is £2,230.00. The Charter Trustees are asked if they wish to continue with this arrangement.
 - (f) Purchase of a Past Mayoress' Jewel – which has previously been presented to the outgoing Mayoress/Consort/Escort – funded from the Civic Budget for Regalia – cost of jewel to be presented at the AGM on 29 May 2020 is £1,416.00. This Charter Trustees are asked to consider if they wish to continue with this arrangement.
 - (g) Remembrance Day Event – whilst it is proposed to increase this budget head due to additional costs including road closures, health and safety requirements and staffing officers will discuss the funding implications and request that elements of the event be funded by the Council.
 - (h) Charge for photographing Regalia – a request has been received to photograph some of the Regalia for inclusion in a commercial book capturing the history of Bournemouth. Any associated costs would be recovered. The Charter Trustees are asked if they agree to establish this policy.
 - (i) Any underspend on budget heads will be included in reserves.
 - (j) Certain events and other internal recharges have not yet taken place and therefore the projected outturn has been set at the base budget level.

Council Tax Base

3. The BCP Council has advised that the tax base applicable to the Charter Trustees of Bournemouth is 63,942 for 2020/21 which was agreed by the BCP Council Cabinet on 15 January 2020. The Charter Trustees must advise the Council of the amount to be raised from Council Tax (the precept) by 31 January 2020.

4. Set out below is the proposed precept and cost per household for a Band D property.

2019/20			2020/21		
Tax Base	Precept	Band D	Tax Base	Precept	Band D*
63,723	£134,000	£2.10	63,942	£137,250	£2.15

* this is per annum per household for a Band D property and equates to 18p per month or 4p per week

VAT Position

5. Following discussions with HM Revenues and Customs advice has been received that Charter Trustees are not automatically treated as section 33 bodies as defined within para 33(3) of the VAT Act 1994 which allows full VAT recovery on activities carried out under the statute. However, they may be added into the official list under the Treasury Order if the following criteria is met:
- (a) they undertake a function ordinarily carried on by local government, and
 - (b) have the power to draw funding directly from local taxation.
6. Subject to the outcome of the above there may be implications for the budget in respect of the activity of the Charter Trustees that fall outside of their normal statutory function.

Summary of financial implications

7. The financial implications are set out above.

Summary of legal implications

8. The Charter Trustees are required to set a budget for 2020/21 and to advise the Council of any subsequent precept.

Summary of human resources implications

9. There are no human resources implications associated with this report.

Summary of environmental impact

10. There are no environmental implications associated with this report.

Summary of public health implications

11. There are no public health implications associated with this report.

Summary of equality implications

12. There are no equality implications associated with this report.

Summary of risk assessment

13. There are no risk implications associated with the this report.

Background papers

None.

Appendices

Proposed Budget for Charter Trustees of Bournemouth