

Taunton Charter Trustees Budget 2020/21

Introduction

This report provides an overview to the Taunton Charter Trustees on the costs that will need to be precepted for on Council Tax Ratepayers in the Unparished Area of Taunton for the 2020/21 Financial Year. This will be finalised at the meeting on 23rd January 2020.

The following totals are based on officer investigation and the elected Members representing the Unparished Area of Taunton are able to suggest further areas to precept or different options, but this will have to be justified to local ratepayers and managed responsibly, the need for a direct link to the civic role of the Mayoralty in Taunton and the limitations to scope under the relevant legislation.

This is the first year that the Charter Trustees are setting a precept. The legal basis for the Chartered Trustees is covered in the Local Government (Structure and Boundary Changes) (Supplementary Provision and Miscellaneous Amendments) Order 2019. The borough of Taunton Deane was abolished as part of the Local Government changes in 2019 in this area which led to the establishment of Somerset West and Taunton Council. The Taunton Charter Trustees were set up to maintain the continuity of the Town Charter and was drawn specifically within the Unparished Area of Taunton.

The Special Expenses Rate (SER) which was levied on ratepayers in the Unparished Area of Taunton by SWT in 2019/20 and which was used to part-fund the Mayoralty (not taking into account staffing costs) was set at £46,399 or £3.02 on a Band D Property. As requested by the Charter Trustees, SWT agreed to transfer these funds to be managed by the Charter Trustees during the year. Somerset West and Taunton Council provided accommodation and staffing support for the Charter Trustees for their first year (19/20) and this year was taken to quantify how much of the Governance team's time is taken to support the function.

The Standing Committee of the Taunton Charter Trustees considered the budget requirement for the Taunton Charter Trustees for the 2020/21 financial year at their meeting on the 7th January 2020. The Charter Trustees body will need to set its own budget and precept for 2020/21 and in future years as long as it is in existence.

Breakdown of Cost Areas

Mayoral Activities and Events

Analysis of the Budget spend for 18/19 and previous years had shown spend of around £8,000-12,000 over the course of the financial year, not including staffing. This would cover activities and events associated with;

- Civic Service.
- Civic Events e.g. Flag raising, Remembrance and carol services.
- Special Anniversaries
- Visit to Twin Towns (France, Germany) & Travel Insurance and Gifts

- Mileage allowance and travel costs for the Mayor and Deputy.
- Printing and Design costs.
- Dry-cleaning and robe adjustments including new robes.
- Tickets and travel.
- Gifts and refreshments.
- Publicity and Promotion e.g. Sign Writing
- Photography (Mayoral Portrait)
- Subscriptions (e.g. Modern.gov)
- Other Events Contingency e.g. Freedom Parade.

For 19/20 £15,000 was prudently ring-fenced for this particular area of spend but in all likelihood there will be an under spend on this by 31 March 2020 as the budget was set later in the financial year. A further report on the final spends for 19/20 will be brought back to a future meeting of the Charter Trustees once the financial year has ended.

Therefore, depending on the type of events planned for 2020/21 by the Mayor, it is proposed to set this at **£10,000**.

Special Responsibility Allowance (SRA) for Mayor and Deputy

The SRA Allowance for the Mayor and Deputy - the Charter Trustees predecessor committee the Unparished Area Committee formally requested that the Joint Independent Remuneration Panel look at the allowances for the Mayor and Deputy on 30th January 2019, whose independent recommendations were then supported at the meeting of the SWT Shadow Council on 26th March 2019. The recommendation was also passed that this would be looked after a year by the JIRP to test whether the SRA sat at the right level. This was endorsed by the Charter Trustees on 7th August 2019.

I have enquired with Scott Wooldridge, Monitoring Officer - Somerset County Council, as to whether the JIRP would be able to review this in advance of the precept being set on 23rd January 2019. Unfortunately they are in the middle of a review for Mendip Council and so this will not be possible in the timescales, so I would recommend that it is kept as is for the time being but that it is index-linked by the CPIH as originally recommended. The JIRP would be willing to review this in 2020 in time for the 2021/22 financial year if this was supported. However, the Charter Trustees are able to choose to divert from the JIRP's recommendations. It is not essential to refer the matter back to the Panel for review before amending the financial values but that is an option particularly if there is substantive new information on the role that wasn't available to the Panel at the time of its consideration. Any formal decision to amend a Panel's recommendations has to be accompanied by clear reasons for departing from the recommendations and these need to be publicised.

CPIH inflation rate for September 2019 (usually used for budget/funding purposes) was 1.7%.

The current and proposed allowances are:

	2019/20	2020/21	Increase
Mayor	2,930	2,980	1.7%
Deputy Mayor	1,570	1,600	1.7%
Totals	4,500	4,580	

Total recommended budget for 2020/21 is therefore: **£4,580**

Insurance for Insignia and Civic Silver

The Civic Silver and Insignia that was associated with the Taunton Mayoralty transferred over to the Charter Trustees on 1st April 2019 and thus the Charter Trustees are responsible for insuring such property. The premium SWT paid for Civic Insignia and Silver was £505.83 for the 18/19 Financial Year. However since then SWT have re-tendered for a new contract which was apparently considerably lower in cost. The Charter Trustee's set aside £500 in this year's budget and I have enquired with Finance as to the estimated cost for the 20/21 Financial Year.

Cost: **£500**

Supporting Twinning Links

Each of the Twinned Towns has a support group; the Taunton-Lisieux Civic Link and the Friends of Konigslutter and both operate on the basis of bi-annual visits to France or Germany taking place, with return visits occurring the year after. Without a degree of funding there is little doubt the twinning groups would be seriously compromised with little prospect of them being able to continue after a relatively short time. The funding comprised a grant of £1,000 per annum to the Taunton-Lisieux Civic Link which was used to provide trips for the French visitors to local and regional landmarks during their stay in Taunton. In addition, the Council had borne the cost of the attendance of the French visitors at the Civic Dinner which was attended by TDBC's Mayor. A grant was not made to the Friends of Konigslutter as they undertook much of their own fund-raising. However, in recent years such fund-raising has become more and more difficult. It should be noted that TDBC did meet some of the costs associated with the Civic Dinner held in honour of the German visitors. With the formation of the new Council and a number of other well-established twinning arrangements across the enlarged area, the support given to Taunton's twin towns in the past cannot be continued.

This matter was discussed at the final meeting of the Taunton Unparished Area Committee held on 30 January 2019. The Councillors present at this meeting accepted that a degree of financial support ought to be provided to the twinning groups in future especially if Charter Trustees for Taunton were put in place. There was a view however that both groups should be treated in exactly the same way in future. It has recently been discussed that the FOK link should be investigated as to how it could be formalised as a Civic Link in the same way as Lisieux.

In the circumstances, the Charter Trustees were requested to consider making financial contributions to the Taunton-Lisieux Civic Link and the Friends of Konigslutter on the following basis:-

- (a) The sum of £1,000 per annum be awarded to each of the twinning groups to support the activities and events put on for foreign visitors when they are in country.
- (b) The further sum of up to £1,500 be made available to meet the cost of hosting the French or German visitors attending the Civic Dinners held in their honour. Should this amount be exceeded, the twinning group concerned will be expected to meet the balance of the overall cost.

Note: In any financial year there is only one visit from either France or Germany. Therefore in Year 1 if Taunton receives visitors from Lisieux (usually towards the end of May), a party from Taunton will travel to Germany to visit Konigslutter in August. In Year 2, the visits are reversed.

This means that in any one year, the amount of funding needed to support the twinning groups will be no more than £3,500.

The Standing Committee of the Taunton Charter Trustees considered two bids by the two groups on the 7th January 2020 and awarded £4500 to the Friends of Konigslutter for 2020, 2021 and 2022 and £3500 to the Taunton-Lisieux Civic Link for 2020 and 2021 from the existing Unparished Area Grants budget from this year, it is therefore not proposed to precept on ratepayers for the cost of this in the following year (or two in the case of FOK).

Twinning costs: **£0**

Staffing/Administration Costs

For 19/20 the staffing costs of servicing the Charter Trustees has been absorbed by SWT Council to allow for a true approximation of the needs of the body to be established in its first year.

The Mayor of Taunton attends on average some 300+ events in the municipal year and dedicated diary management is an important aspect of ensuring this runs smoothly. The role of Civic and Engagement Specialist also includes a range of other activities which support the Mayor of Taunton such as organising events and the Civic Service.

The Specialist in Democracy and Governance role would be there to support the smooth running of the expected 12 meetings per annum. (4 CT's and 8 Standing Committee's) and the setting of a Budget and Audit of Accounts acting in a role much like a Town Clerk.

- The estimated cost of Marcus Prouse (Specialist – Governance and Democracy) will be £276 per day next year.
- The estimated cost of Jo Comer (Specialist – Civic and Engagement) per day will be £209 next year.

Please note the costs are based on assumptions related to 2020/21 pay award, national insurance and pension rates, and are therefore subject to change. SWT will

aim to confirm the actual rates by March 2020, which will be based on full cost recovery.

In terms of days to be bought it is initially suggested by SWT that the Charter Trustees plan for 0.1 FTE (0.5 days per week) of Specialist-Governance support and 0.5 FTE (2.5 days per week) of Specialist-Civic and Engagement support.

The Mayor's Sergeant at Mace was a role historically undertaken with the TDBC Mayor. It is the duty of the Sergeant-at-Mace to carry the Mace before the Mayor in civic ceremonial processions. The Sergeant-at-Mace is also responsible for ensuring that on civic ceremonial occasions the Mayor is appropriately robed and that on such occasion all necessary ceremonial robes etc. are available. The Sergeant-at-Mace usually also ensures that the Mace and all other civic silver is kept clean.

It is considered prudent to build in a budget for this, as the extra pressure on the Mayor to drive themselves to events and then robe themselves may be considered an undue pressure in what is a highly visible role and a busy year for the person occupying it. The current hourly rate for the role is set at £9.16 on a casual or 'zero hours' contract, due to the uncertain demand for work, depending upon the bookings for the Mayor. Holiday pay is also accrued at 12.1% of salary, taking the hourly rate to an estimated £10.27 plus on costs.

It is estimated the SAM would be required to work approximately 10 hours per month averaged over the year, which is 120 hours per year. It would be prudent to budget for 150 hours per year, so the annual costs are estimated as: £10.27 x 150 hours = £1,540.50. Additional costs for National Insurance and Pension are in the process of being clarified, so at this stage it is proposed to include c£700 for on costs, giving a total budget of £2250 (rounded).

The costs are therefore estimated as:

	Full Pay and On Costs	FTE	Approx. Days Per Year*	2020/21 Cost Estimates
Specialist-Governance	54,900	0.1	22	5,490
Specialist-Civic and Engagement	41,470	0.5	110	20,735
Sergeant at Mace	2250	Flex	12	2250
Sub-total				28,475
Contribution to overheads @ 10%				2,620
Total				31,095

*assumes 220 chargeable days

As a comparison, Bath employ two full time staff and incur costs of £114,060 per annum on accommodation and staffing costs. If the Charter Trustee's did wish to explore the employment of a full-time Town Clerk they would be looking at a salary bracket of £32,000 – 36,000 per year, which does not include staff on-costs.

Estimated Staffing Cost: **£31,100**

Accommodation/Room Hire Costs

I have enquired with the Assets team at SWT for the commercial rate for hire of the JMR in the evening on an expected basis of 12 evening meetings and including the use of coffee and tea facilities.

A disadvantage of hiring the JMR in The Deane House is that for public meetings a Security Guard is required to be hired (for which SWT are charged £15 an hour), so $15 \times 3 \text{ hours } 5.30-8.30\text{pm} = £45 \times 12 \text{ Meetings a year} = £540$. This cost would also apply to other meetings where the building is required to be available later than standard closing time of 7pm.

Hire charges are to be officially confirmed, but it is feasible this could be in the range of £175 for a 4 hour booking. If there are an estimated 12 meetings a year this works out at $175 \times 12 = £2100$.

I have not explored the use other facilities but other venues could be contacted to quote if so wished. If no agreement can be made with SWT it would be prudent to include an indicative estimate of £2,640 for venue costs.

Estimated Cost: **£2640***

Mayoral Vehicle Lease

I have enquired with the Procurement team at SWT for quotes on the lease of a Mayoral Vehicle for the Sergeant at Mace/ or Mayor to use throughout their Mayoral Year. The option of using the existing pool car fleet at Deane House and re-charging the costs back (which could conceivably be cheaper) has been explored and is not possible.

In the previous three years the previous car (a Hybrid Ford Mondeo Saloon Car) did around 18,000 miles (6000 miles per year) and charged around £300 per month and £3600 for the year. I have suggested that as the Mayor is not the Mayor of the Borough of Taunton Deane but the Unparished Area that they quote for a low mileage rate of 3000 miles for 20/21 financial year (by previous cost this should thus be an approx. cost of £1800). It is prudent at this stage to include an indicative estimate of £2000 for a Vehicle Lease.

The Mayor of Taunton does attend various events throughout the Mayoral year outside of the unparished area of Taunton (for example other Somerset Mayor's Civic Services) and it may be considered as to how the Mayor is supported to do this, either no financial support for outside of area travel spend, mileage claimable if using a personal car, or the use of the Lease Car outside of area.

Cost: **£2000**

Audit of Accounts

The Charter Trustees are bound by the same requirements of town and parish councils in terms of financial accountability and the accounts will need to be audited each year.

The Charter Trustees have been opted-in to the central appointments regime Smaller Authorities' Audit Appointments (SAAA) and the external auditor for our county area is PKF Littlejohn LLP. It is likely that the fees will be £200 per year based upon the amount of income and expenditure the Charter Trustees.

Estimated Cost: **£200**

Reserves

It may be considered prudent for the Charter Trustees to build up a small reserve to deal with any out of the ordinary expenses which may come up in any given year (for example, a 40 Commando Freedom Parade) and to also balance the budget by the years end if there are any overspends. There will in all likelihood be a small amount of monies left over from the funds passed over to the Charter Trustees this financial year from Somerset West and Taunton Council from the Special Expenses levied on the Unparished Area and if this is allowed to be retained for future financial years I would suggest if there is any remainder left this is earmarked as a reserve rather than specifically precepted for or distributed via small grants. However, for initial budget planning, it would be prudent to include a contingency/reserves sum of £1,000.

Reserve: **£1,000**

Summary of Budget for 2020/21

The indicative tax base for the unparished area is 15,308.18.

The following table provides an overview of the amount and areas to be precepted broken down on a Band D property in the Unparished Area of Taunton.

Taunton Charter Trustees Budget 20/21	Charter Trustees £
Mayoral Civic Activities and Events Spend	10,000
Special Responsibility Allowance for Mayor and Deputy	4,580
Insurance for Insignia/Regalia	500
Staffing/Administration Costs	31,100
Accommodation	2640
Mayoral Vehicle Lease	2000
Audit of Accounts	200
Total Estimated Costs:	51,020
Contingency/Reserves:	1,000
Total Budget / Precept:	52,020

Yellow = Mayor of Taunton Costs

Orange = Taunton Charter Trustees Costs

So when looking at the budget for next year, you need to divide it by this tax base figure to get the Band D basic rate;

£52,020 / 15,308.18 = £3.40 per Band D property.

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Specialist – Governance and Democracy

15 January 2020