

Taunton Charter Trustees Budget 2022/2023

Introduction

This report provides an overview to the Taunton Charter Trustees on the expected likely costs for the next financial year that will need to be precepted for on Council Tax Ratepayers in the Unparished Area of Taunton for 2022/23. This will be finalised at the meeting on 20th January 2022.

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, and most importantly there is 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 now the third year that the Charter Trustees are setting a precept. The legal basis for the Charter 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 Charter Trustees body will need to set its own budget and precept 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 under Taunton Deane Borough Council had shown spend of around £8,000 – £10,000 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. We are also potentially aware that any of the important associations with the Military in Taunton and they may choose to exercise their Freedom of the Town and parade in 2022, which would be typically utilised from this fund.

For 20/21 and 21/22 £10,000 was ring-fenced for this particular area of spend but there have been some underspends due to the impact of Covid-19. The impact of the Covid-19 pandemic has had an impact on the number of events and activities that the Mayor of Taunton would usually attend or host. A further report on the final spends for 22/23 will be brought back to a future meeting of the Charter Trustees once the financial year has ended. Any underspend from 21/22 from this particular budget is thus proposed to be utilised to support the reserves position of the Charter Trustees (Parish/Town Councils are advised to retain 3-12 months of running costs). This is also considered prudent with unknown costs around the potential creation of a Town Council and potential liabilities for the Charter Trustees.

Therefore, depending on the type of events planned for 2021/22 by the Mayor, it is proposed to set this at **£10,000**.

Special Responsibility Allowance (SRA) for Mayor and Deputy

The Joint Independent Remuneration Panel reviewed the allowances in 2020 in time for the 2021/22 financial year and their findings were considered at a meeting of the Charter Trustees on 10th December 2020 and resolved the following;

RESOLVED that the Charter Trustees for Taunton;

- 1) Noted the work undertaken by the JIRP which has reviewed the work-load of the Mayor and Deputy with information supplied by the Council, and has considered how the allowances compared with other areas with Charter Trustees.
- 2) Disregarded the recommendation of the JIRP to reduce the Special Responsibility Allowance for the Deputy Mayor of Taunton by half to reflect a reduced workload, with the reasoning being that due to the Covid-19 pandemic's effects, this had impacted on the statistical information reviewed, with the Mayor and Deputy Mayor of Taunton unable to fulfil the expected duties of their role and the number of events and activities they could attend. The Mayor and Deputy Mayor's special responsibility allowances for 2021/2022 would be kept the same as currently.
- 3) Supported the recommendation that the index linking of the allowance be retained.
- 4) Supported the recommendation that the situation be reviewed again in a year, when hopefully 'normal' (post Covid-19) activity had taken place.

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 2021 (usually used for budget/funding purposes) was 2.9%.

The current and proposed allowances are:

| | 2021/22 | 2022/23 | Increase |
|--------------|---------|---------|----------|
| Mayor | 3,001 | 3,088 | 2.9% |
| Deputy Mayor | 1,611 | 1658 | 2.9% |
| Totals | 4,612 | 4746 | 134 |

Total recommended budget for 2021/22 is therefore: **£4746**

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 £617.17 for the 19/20 Financial Year and the figure of £650 has been budgeted by the Charter Trustees each financial year to be re-charged to Somerset West and Taunton Council. I have had confirmation from the relevant SWT Finance Officer that the figure has stayed largely consistent and so no change is proposed to this budgeted amount.

Cost: **£650 (rounded)**

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 historically 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 previous Taunton Deane Borough 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. 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 was recognised as not able to be continued.

This matter was discussed at the final meeting of the Taunton Unparished Area Committee held on 30 January 2019. There was a view that both groups should be treated in exactly the same way in future.

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 Special Expenses budget. It is therefore not proposed to precept on ratepayers for the cost of this in the following year in the case of both organisations due to the impact of Covid-19. It is understood that the bi-annual visit of visitors and dignitaries from the twinned town of Lisieux did not take place in 2020 or 2021 and ongoing contact has been made with The Taunton-Lisieux Civic Link and the Friends of Konigslutter to support them and understand the impact of Covid-19 on their activities and future requirements.

The Taunton-Lisieux Civic Link recently transferred the entirety of their funds (£6100), back to Somerset West and Taunton Council to hold, due to an issue with their bank account levying charges which would deplete the value of the fund.

Twinning costs: **£0**

Staffing/Administration Costs

The Mayor of Taunton usually 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 8 meetings per annum. (4 CT's and 4 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 the Specialist – Governance and Democracy will be £310 per day next year (w/out overhead).
- The estimated cost of the Specialist – Civic and Engagement support per day will be £235 next year (w/out overhead).

Please note the costs are based on assumptions related to 2021/22 pay award, national insurance and pension rates. SWT will aim to confirm the actual rates by March 2022, which will be based on full cost recovery. The Charter Trustees are not exempt from VAT unlike SWT, so for 22/23 this cost has been factored into the equation.

In terms of days to be bought it is suggested by SWT to continue 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 £10.00 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 £11.21 plus on costs.

It is estimated the SAM for next year would be required to work approximately 20 hours per month averaged over the year, which is 240 hours per year. It would be prudent to budget for 250 hours per year, so the annual costs are estimated as: £11.21 x 250 hours = £2803. 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 £3600 (rounded).

The costs are therefore estimated as:

| | Full Pay and On Costs for SWT | FTE | Approx. Days Per Year* | 2022/23 Cost Estimates | 2022/23 incl VAT |
|---------------------------------|-------------------------------|------|------------------------|------------------------|------------------|
| Specialist-Governance | 56,975 | 0.1 | 22 | 5,698 | 6,837 |
| Specialist-Civic and Engagement | 43,038 | 0.5 | 110 | 21,519 | 25,823 |
| Sergeant at Mace | 3,000 | Flex | | 3,000 | 3,600 |
| Sub-total | | | | 30,217 | 36,260 |
| Contribution to overheads @ 10% | | | | 2,722 | 3,266 |
| Total | | | | 32,938 | 39,526 |

*assumes 220 chargeable days and includes VAT costs and full pay award

As a comparison, Bath Charter Trustees 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 (without the qualification) 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: **£39,523**

Accommodation/Room Hire Costs

Historically there has been agreement with the Assets team at SWT for the commercial rate for hire of the JMR in the evening on an expected basis of 8 evening meetings and including the use of coffee and tea facilities. In 2020/21 this budget was not utilised and added to the reserves, due to the ability to meet virtually during that year due to the pandemic.

With the return to meetings in person from May 2021 this charge will be re-incurred. However, with the advent of the Covid-19 pandemic, the Standing Committee has been meeting via Zoom and this is expected to continue in the short-term.

For the use of the JMR in The Deane House for public meetings a Security Guard is required to be hired (for which SWT are charged £15 an hour), so 15 x 3 hours 5.30-8.30pm = £45 x 4 Meetings a year = £180. 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 in the range of £175 for a 4 hour booking. If there are an estimated 4 meetings a year this works out at 175 x 4 = £700.

An indicative estimate of £1000 for venue costs is considered prudent.

Estimated Cost: **£1000**

Mayoral Vehicle Lease

I had previously enquired with officers 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) was considered a preferable option, and so this has been the way of working for this current year, with a car on the booking system given priority to Mayor. The budget for 2020/21 was not utilised due to the Covid-19 pandemic.

It is prudent at this stage to include an indicative estimate of £2000 for a re-charge including VAT, but this is to be confirmed with Facilities Management and SWT Fleet Management of the finalised costings.

Cost: **£2000 (1666.66 plus VAT)**

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.

One of the recommendations of the External Auditor was for the Charter Trustees to appoint an Internal Auditor. On the 16th March 2021 the Charter Trustees;

RESOLVED that the Taunton Charter Trustees appoint IAC Audit & Consultancy Ltd as their Internal Auditor for the 2020/21 and 2021/2022 municipal years.

IAC's advised rate is £385 per day. It is considered prudent to budget an amount of £800 for both external and internal audit.

Estimated Cost: **£800.00**

Reserves

Guidance states that Parish/Town Councils should retain 3-12 months of running costs. Local Authorities were required by law to set a balanced budget as prescribed in the Local Government and Finance Act 1992.

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. The impact of Covid-19 meant there was an underspend on the 20/21 financial year, so it is not proposed to precept to add to this reserve. The amount currently held in reserve will be reported as part of the budget monitoring report but was understood to be at 20/21 year end £8676.

Reserve: £0

Summary of Budget for 2022/23

The indicative tax base for the Unparished Area is £3.84

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 21/22 | Charter Trustees £ |
|---|-------------------------------|
| Mayoral Civic Activities and Events Spend | 10000 |
| Special Responsibility Allowance for Mayor and Deputy | 4746 |
| Insurance for Insignia/Regalia | 650 |
| Supporting Civic Twinning Links | 0 |
| Staffing/Administration Costs | 39,526 |
| Accommodation | 1000 |
| Mayoral Vehicle Lease | 2000 |
| Audit of Accounts | 800 |
| Total Estimated Costs/Precept: | 58,722 |
| Contingency/Reserves: | 8676 |
| Total Budget: | 67,398 |

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;

£58,722 / 15,255.85 = £3.85 per Band D property.

Marcus Prouse

m.prouse@somersetwestandtaunton.gov.uk

Specialist – Governance and Democracy

14th January 2022