



AGENDA ITEM 4

VALUATION JOINT BOARD FOR CENTRAL SCOTLAND

Subject: Draft Revenue Budget 2014/2015
Meeting: Central Scotland Valuation Joint Board
Date: 24th January, 2014
Author: Joint Report by Treasurer and Assessor

1. Introduction

- 1.1 This report presents the Draft Revenue Budget for Central Scotland Valuation Joint Board for the financial year 2014/2015.
- 1.2 The report details the budget estimates for consideration and makes recommendations on the allocation of the net costs to Falkirk, Stirling and Clackmannanshire Councils.
- 1.3 The Assessor is responsible for three functions and services to the constituent authorities. These are the compilation and maintenance of the Electoral Register, the maintenance of the Council Tax Valuation List, and the maintenance and annual publication of the Valuation Roll. These are key services for the authorities, being important for local democracy and elections, and providing income from domestic and non-domestic taxation.

2. Draft Revenue Budget 2014/2015

- 2.1 The summary of the Draft Revenue Budget for the Valuation Joint Board is attached as Appendix A.
- 2.2 The Draft Budget has been prepared on the basis of a carry forward of the current year's budget with adjustments for known variations.
- 2.3 Adjustments have been made to the base figures for 13/14 to produce the final estimates for 14/15. A summary of the major adjustments with brief explanation is included at Table 1.

Table 1:

2014/15 Budget Adjustments Summary			
Item		Adjustment Value £	Explanation
Salaries	↑	9,300	Incremental progression through payscale.
Overtime	↑	9,000	Increased overtime due to referendum & european elections.
Superannuation Annual Charges	↓	-6,630	Adjusted to reflect 13/14 actual.
Car Allowances	↓	-3,700	Completion of phased removal of car allowances following single status.
Property Rental	↓	-40,000	Renegotiated Lease at Hillside House following property review.
Computer Software Purchase	↑	20,000	Upgrade to MS Office 2013, MS Exchange 2013 and Virtual Desktop Software
Computer Software Maintenance	↓	-20,000	Corona no longer in use.
Other Local Authorities	↓	-6,000	Adjusted to reflect 13/14 actual. To be reinstated following next Local Govt Elections.
Miscellaneous	↓	-1,800	Small adjustments
TOTAL	↓	-39,830	

2.4 Inflation has been applied where there is deemed to be a specific requirement. A summary of the inflation applied is at Table 2 below.

Table 2:

2014/15 Budget Inflation Summary		
Item	%	Adjustment Value £
Pay Award	+1.0%	17,740
Superannuation	+2.6%	6,660
Superannuation Annual Charges	+2.7%	690
Gas	+7.5%	290
Electric	+10.6%	1,130
Rates	+3.0%	1,990
Cleaning	+3.1%	450
Insurance	+3.0%	80
Service Charge	+3.5%	440
Water Charges	+5.6%	420
TOTAL		29,890

3. Indicative Funding to 2016/2017

- 3.1 There is anticipated to be a funding gap of over £100,000 by the year 2016/17. This assumes local authorities will look to mirror their own funding from Scottish Government to CVJB funding. See Table 3 below for a summary of future year funding assumptions.

Table 3:

Central Valuation Joint Board - Funding Assumptions	2014/15 Draft £	2015/16 Indicative £	2016/17 Indicative £
Funding Assumption - per settlement	(2,547,940)	(2,547,940)	(2,514,820)
Funding Requirements - per known inflationary pressures	2,539,290	2,574,420	2,616,390
Annual Funding Shortfall / (Surplus)	(8,650)	26,480	101,570
Cumulative Shortfall / (Surplus)	(8,650)	17,830	119,400

4. Individual Electoral Registration

- 4.1 The UK government has announced that Individual Electoral Registration will be introduced in Scotland on 19 September 2014; it will have started in England and Wales on 10 June 2014 and a different version already exists in Northern Ireland. It is the most significant change in electoral registration in recent times. The Cabinet Office has promised funding to the VJB of £138,000 to cover the transition. However the change is fundamental and onerous, our current estimates suggest at this stage that the figure should be sufficient but with so many factors still undecided and untested it is not possible to be certain. It is unknown how the public will engage with the new system and the volume of phone calls, forms and visits to electors are very hard to predict. There is currently no mechanism in place to bid for extra funds during 2014/15 itself once the system goes live. It is therefore prudent to maintain the £200,000 earmarked reserve set aside for IER.

5. Reserves

- 5.1 As at 31 March 2013 CVJB had reserves of approximately £619,000. £359,000 of these reserves were earmarked, giving a usable reserve of £260,000. The usable reserve is expected to increase by £112,000 due to the anticipated 2013/2014 underspend. A report will be brought to the board with recommendations in relation to the reserves when the 2013/2014 Annual Accounts have been completed.

6. Requisitions

- 6.1 The net cost for financial year 2014/15 that requires to be allocated amongst the constituent authorities is £2,539,290.
- 6.2 On the basis of the draft budget the requisition is as follows:-

Falkirk	£ 1,251,370
Stirling	£ 895,360
Clackmannanshire	£ 392,560

7. Recommendations

The recommendations arising from this report are that the Valuation Joint Board :-

- (i) Formally approves the Valuation Joint Board's Revenue Budget for 2014/2015 of £2,539,290, as detailed in Appendix A.**
 - (ii) Agrees to requisition the constituent authorities for their share of the net expenditure as outlined in 3.1. above.**
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Assessor/Electoral Registration Officer

Treasurer

Date : 16th January, 2014

LIST OF BACKGROUND PAPERS

1. Budget working papers (these are available from the Treasurer
Tel 01259 452072)