

AGENDA ITEM 4

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: REVENUE BUDGET 2015/16 – REVIEW AS AT 30.09.15
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 20th November 2015
Author: TREASURER

1. INTRODUCTION

- 1.1 The purpose of this report is to advise the Joint Board of the forecast outturn for the financial year ending 31 March 2016.

2. BACKGROUND

- 2.1 The budget for the financial year 2015/16 is £2.816 million. The projected outturn against the budget shows an underspend of £163K (see Appendix A).
- 2.2 The main reason for the underspend relates to staffing of £195k. The management team restructure approved in March 2015 has resulted in savings of £63k with the balance due to vacancies and staffing underspends. Temporary canvassers are projecting an underspend of £40k, though this may change depending on the return rate of forms.
- 2.3 During the budget setting process £196k was allocated from reserves to fund the additional costs associated with Individual Electoral Registration (IER) as the Cabinet Office hadn't confirmed funding for the year. Since the beginning of the financial year Cabinet Office have provided £94k of funding which will fall to reserves to offset the funding utilised in the year. (Reserves position shown at Appendix B.)
- 2.4 Future funding levels for the CSVJB remain uncertain, with local authorities not expecting to receive their funding settlement until late December 2015 this will add pressure to the budget setting process.
- 2.5 A number of voluntary severance requests have been approved. The budget has been allocated from the Employment Fund to fund the costs in this financial year. Other saving proposals will be considered once the VS process is complete.

- 2.6 Work is ongoing to prepare the budget for 2015/16, as part of this work discussions are taking place with senior management to review the reserves requirement for future years.

3. RECOMMENDATIONS

- 3.1 The Joint Board is asked to note the contents of this report.

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Treasurer

LIST OF BACKGROUND PAPERS

1. Various working papers associated with the production of the outturns.

Any person wishing to inspect the above background papers should contact Clackmannanshire Council, Finance Services, on Alloa (01259) 452072.

VJB - Revenue Outturn to 31 March 16						
	Annual	Budget to	Actual	Projected	Variance	
55033000	Budget 2015/16	30/09/15	30/09/15	Outturn to 31/03/2016	Outturn v Budget	Comments on variances
Employee Related Expenditure						
APT & C General - Salaries	1,434,300	717,150	643,030	1,294,187	(140,113)	
APT & C General - Employers Supn	293,880	146,940	122,349	247,619	(46,261)	
APT & C General - Employers NIC	109,330	54,665	48,632	96,123	(13,207)	
APT & C General - Overtime	5,000	2,500	7,385	10,000	5,000	
Management of Vacancies	(27,560)	(13,780)	0	0	27,560	
Manual Relief - Gross Wages	140,000	70,000	21,937	100,000	(40,000)	
Manual Relief - Eers Sup.	0	0	1,061	2,247	2,247	
Manual Relief - Eers NIC	0	0	1,795	3,264	3,264	
Long Service Award	750	375	848	850	100	
Superannuation Annual Charges	25,630	12,815	8,903	24,677	(953)	
						Projected costs based on 5 employees, 1 has left, 3 leave by end Dec, 1 in June 2016
Severance/Redundancy Payments	72,350	0	0	72,353	3	
Advertising Expenses - Recruitment	500	250	3,180	3,750	3,250	
Staff Training	15,000	7,500	5,980	17,500	2,500	
Conference Expenses - Officials	2,000	1,000	1,388	3,000	1,000	
Other Staff Costs	1,500	750	90	1,500	0	
Employee Related Expenditure	2,072,680	1,000,165	866,579	1,877,071	(195,609)	Underspend as a result of restructure and vacancies.
Premises Related						
						Based on prev years spend, budget to be realigned
Repairs and Maintenance	13,640	6,820	5,264	25,000	11,360	
Energy Costs- Gas	4,210	2,105	1,329	4,210	0	
Energy Costs - Electricity	11,900	5,950	5,410	11,900	0	
Rents	85,000	42,500	56,110	85,000	0	
Service Charge	13,000	6,500	12,247	18,471	5,471	As previously reported in line with charges to date
Rates	68,350	68,350	69,020	69,020	670	
Water Meter Charges	8,060	4,030	3,619	8,060	0	
Cleaning & Hygiene Materials	1,500	750	561	1,000	(500)	
Cleaning Services DSO	15,260	7,630	5,035	15,260	0	
Window Cleaning	360	180	90	360	0	
Property Insurance	2,560	2,560	3,068	2,560	0	
Premises Related	223,840	147,375	161,754	240,841	17,001	
Transport Related Expenditure						
Staff Travelling Expenses	32,000	16,000	11,909	32,000	0	
Transport Related Expenditure	32,000	16,000	11,909	32,000	0	
Supplies and Services						
Purchase of Equipment	0	0	77	80	80	
						Additional spend will allow more efficient use of office space
Furniture - Purchase	500	250	15	10,000	9,500	
						Relates to new office merge above.
Removal Charges	0	0	0	3,000	3,000	
Equipment Maintenance	8,000	4,000	5,919	8,000	0	
Equipment Insurance	500	250	0	500	0	
Bottled Water	1,400	700	556	560	(840)	
Hospitality	1,000	500	1,074	1,500	500	
Clothing and Uniforms	300	150	26	300	0	
Supplies & Services	11,700	5,850	7,667	23,940	12,240	

	Annual Budget 2015/16	Budget to 30/09/15	Actual 30/09/15	Projected Outturn to 31/03/2016	Variance Outturn v Budget	Comments on variances
55033000						
Administration Costs						
Office Equipment - Rental	2,000	1,000	1,143	2,000	0	
Printing - Outside Contractors	5,000	2,500	145	10,000	5,000	Previously reported but additional information requested
Photocopying	3,500	1,750	1,882	3,500	0	
Stationery	15,000	7,500	5,145	15,000	0	
Publications	5,000	2,500	1,875	5,750	750	
Advertising - Publicity	5,000	2,500	3,541	5,000	0	
Insurance	13,600	4,620	6,534	10,200	(3,400)	As previously reported
Professional Fees	0	0	0	0	0	
Postages	170,000	85,000	60,150	177,006	7,006	As previously reported forecast in line with expenditure to date
Telecommunications	9,000	4,500	3,707	9,000	0	
Legal Expenses	17,000	8,500	6,516	17,000	0	
Miscellaneous Expenses	1,000	500	599	1,000	0	
Administration Costs	246,100	120,870	91,235	255,456	9,356	
Centralised IT						
Computer Hardware Purchase	21,000	10,500	11,551	21,000	0	
Disaster Recovery	17,000	8,500	3,281	17,000	0	
Computer Hardware Maintenance & Support	2,000	1,000	884	2,000	0	
Computer Software Purchase	10,000	5,000	120	10,000	0	
Computer Software Maintenance & Support	35,000	17,500	35,060	40,000	5,000	Realignment required
Computer Peripherals	1,000	500	108	1,000	0	
Computer Consumables	0	0	0	0	0	
Computer Services	60,000	30,000	26,132	55,000	(5,000)	Realignment required
Centralised IT	146,000	73,000	77,137	146,000	0	
Total Supplies & Services	403,800	199,720	176,039	425,396	21,596	
Third Party Payments						
Other Council Accounts	0	0	0	0	0	
Payments to Other Local Authorities	6,100	3,050	0	6,100	0	
Payments to Contractors	1,000	500	661	1,500	500	
Audit Scotland	8,250	4,125	(2,132)	7,092	(1,158)	As previously reported
Third Party Payments	15,350	7,675	(1,471)	14,692	(658)	
Transfer Payments						
Transfer Payments	0	0	0	0	0	
Support Services						
Legal Services	14,700	0	0	14,700	0	
Human Resources	22,040	0	0	22,040	0	
Finance Service	30,220	0	0	30,220	0	
Corporate and Democratic Core	6,070	0	0	6,070	0	
Support Services	73,030	0	0	73,030	0	
Capital Financing Costs						
Capital Financing Costs	0	0	0	0	0	
TOTAL GROSS EXPENDITURE	2,820,700	1,370,935	1,214,810	2,663,031	(157,669)	
Income						
Sales - Electoral Roll	0	0	0	(6,000)	(6,000)	As previously reported
Sales	(1,000)	(500)	0	0	1,000	
Other Income	(3,000)	(1,500)	(106,527)	(3,000)	0	
Interest (Revenue Balances)	0	0	0	0	0	
Income	(4,000)	(2,000)	(106,527)	(9,000)	(5,000)	
NET EXPENDITURE	2,816,700	1,368,935	1,108,283	2,654,031	(162,669)	

Appendix B

Reserves Balance to 31 March 2016		
		£'000
Opening Balance 1 April 2015		1,023
Earmarked Reserves Allocated for Use 2015/16		
	Refund to Constituent Authorities	(277)
	IER Funding	(196)
	Telephone System Investment	(20)
	Lift Renewal	(30)
	Employment Fund(£72k committed to date)	(200)
Contribution to Reserves in 2015/16		
	Cabinet Office Funding for IER b/f	10
	Cabinet Office Funding for IER	93
	Underspend on Revenue Budget	163
Projected Closing Balance Usable Reserves		566
Minimum reserves required 3% of budget		82