

AGENDA ITEM 5

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: REVENUE BUDGET 2015/16 – REVIEW AS AT 30.09.16
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 18th November 2016
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 2016/17 is £2.619 million. The projected outturn against the budget shows an underspend of £74K (see Appendix A).
- 2.2 The underspend lies mainly within employee costs of £64k. This relates to a vacancy, windfall savings in superannuation costs and staffing underspends. Temporary canvassers are projecting on budget though this may change depending on the return rate of forms. Income is forecast £18k over budget including £14k additional IER funding for website extension. The balance of £8k relates to overspends within supplies and services.
- 2.3 During the budget setting process £105k was allocated from reserves to fund the budget gap. This was significantly less than the previous year as we have budgeted for core IER funding in 2016/17 which was not budgeted for in prior years. Since the beginning of the financial year Cabinet Office have provided £109k of funding but any additional funding remains uncertain. At this point with a projected underspend of £84k it is unlikely that the reserves earmarked will be required. (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 mid December 2016 this will add pressure to the budget setting process.

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.

APPENDIX A

VJB Revenue Outturn to 31 March 2017						
Description	Annual Budget 2016/17	Budget to 30/09/16	Actual to 30/09/16	Projected Outturn to 31/3/17	Var - Outturn v Budget	
Employee Related Expenditure						
SS Salaries	1,338,530	669,265	668,800	1,285,848	(52,682)	Vacant post and Technician posts have been budgeted at a higher grade than actually being paid.
SS Eers Sup	280,210	140,105	107,734	257,148	(23,062)	Some employees not in the pension scheme although this has been budgeted for.
SS Eers NIC	134,650	67,325	69,712	132,819	(1,831)	As salary variance
SS Overtime	37,500	18,750	35,827	59,400	21,900	Outturn based on estimate of time - NDR revaluation
Man Relief Sal	100,000	50,000	0	100,000	0	costs to be trf'd from salaries included in above
Long Serv Award	500	250	249	875	375	
Childcare Vouch	1,500	750	452	1,500	0	
Empee Mgt Cost	0	0	158	0	0	
Confer & Subs	2,000	1,000	1,516	2,500	500	
Sup Annual Chg	26,260	13,130	11,133	26,260	0	
Severence Paymts	0	0	7,019	200	200	Accrual to be reversed
Recruitment Exp	2,000	1,000	2,153	2,300	300	advertising for Canvassers
Staff Training	39,000	19,500	6,450	29,000	(10,000)	Able to source some training for less than budget. Delay in AEA Foundation Course means cannot progress to Certificate courses as planned.
Employee Related Expenditure	1,962,150	981,075	911,202	1,897,850	(64,300)	
Premises Related Expenditure						
An Main Ext Pro	17,500	8,750	4,682	15,000	(2,500)	Fewer repairs anticipated at this stage.
Service Charge	18,500	9,250	8,415	18,500	0	
Clean Hyg Mater	1,500	750	779	1,500	0	
Window Cleaning	360	180	90	360	0	
Gas	4,420	2,210	1,374	4,420	0	
Electricity	12,500	6,250	4,609	12,500	0	
Rents	85,000	42,500	42,500	85,000	0	
Rates	68,350	34,175	71,400	71,400	3,050	
Water Charges	8,260	4,130	3,443	8,260	0	
Prop Insurance	2,640	1,320	(588)	2,640	0	
Prop Main Chg	0	0	1,728	1,730	1,730	
Clean Int Rechg	15,850	7,925	6,294	15,850	0	
Premises Related Expenditure	234,880	117,440	144,726	237,160	2,280	
Transport Related Expenditure						
Staff Mileage	32,000	16,000	4,237	30,000	(2,000)	Revaluation has reduced the amount of time out on survey in the first part of the year
Rail & Taxi Exp	0	0	244	250	250	
Transport Related Expenditure	32,000	16,000	4,481	30,250	(1,750)	
Supplies & Services						
Purc Furniture	500	250	0	500	0	
Gen Consumables	0	0	156	156	156	
Equip Maintenac	8,000	4,000	3,898	8,000	0	
Equip Insurance	500	250	0	500	0	
Hospitality	2,000	1,000	866	2,000	0	
Unifor Clothing	300	150	159	300	0	
Supplies & Services	11,300	5,650	5,079	11,456	156	

APPENDIX A

VJB Revenue Outturn to 31 March 2017						
Description	Annual Budget 2016/17	Budget to 30/09/16	Actual to 30/09/16	Projected Outturn to 31/3/17	Var - Outturn v Budget	
Administration costs						
OEquip Rental	2,000	1,000	978	2,000	0	
Print Photocopy	18,500	9,250	2,477	15,000	(3,500)	
Stationery	15,000	7,500	4,187	12,000	(3,000)	
Publications	5,000	2,500	1,090	6,250	1,250	
Advert General	5,000	2,500	929	4,000	(1,000)	
Insurance	13,600	6,800	8,840	10,000	(3,600)	
Postages	170,000	85,000	90,652	180,000	10,000	Increased volumes of mail
Legal Expenses	17,000	8,500	4,091	17,000	0	
Telephones	9,000	4,500	5,135	14,000	5,000	
Mobile Phone	0	0	480	1,000	1,000	Mobile Broadband
Adminstration costs	255,100	127,550	118,858	261,250	6,150	
Supplies & Services (Centralised IT)						
						Overspend due to new telephone system (£28105) - additional lines required. Partially funded (£20k) from allocated reserves. UPS failures
Comp Hware Purc	5,000	2,500	1,180	15,200	10,200	
Disast Recovery	17,000	8,500	0	8,500	(8,500)	
Comp Hware Main	2,400	1,200	0	2,400	0	
Comp Sware Purc	6,000	3,000	150	6,000	0	
Comp Sware Main	100,500	50,250	57,111	100,500	0	
Comp Peripherals	1,000	500	577	1,000	0	
Supplies & Services (Centralised IT)	131,900	65,950	59,018	133,600	1,700	
	398,300	199,150	182,956	406,306	8,006	
Third Party Payments						
Oth Local Auth	6,100	3,050	2,450	6,100	0	
Pay Contractors	1,000	500	650	1,000	0	
Audit Scotland	8,250	4,125	5,137	8,250	0	
Third Party Payments	15,350	7,675	8,238	15,350	0	
Support Services						
Accountancy	30,980	15,490	0	30,980	0	
Human Resources	22,590	11,295	0	22,590	0	
Legal	15,070	7,535	0	15,070	0	
Corporate Servi	6,220	3,110	5,310	6,220	0	
	74,860	37,430	5,310	74,860	0	
Support Services						
TOTAL GROSS EXPENDITURE	2,717,540	1,358,770	1,256,912	2,661,776	(55,764)	
Income						
						£ 92k core funding, additional funding £14k for IER website extension
Inc Gov Cap Gnt	(94,000)	(47,000)	(106,130)	(106,000)	(12,000)	
Electoral Roll	0	0	(207)	(7,000)	(7,000)	
Charges Std VAT	(1,000)	(500)	0	0	1,000	
Other Income	(3,000)	(1,500)	(3,466)	(3,000)	0	
Interest (Revenue Balances)						
Income	(98,000)	(49,000)	(109,802)	(116,000)	(18,000)	
Net Expenditure	2,619,540	1,309,770	1,147,110	2,545,776	(73,764)	

APPENDIX B

Reserves Balance to 31 March 2017			
			£'000
Opening Balance 1 April 2016			880
Earmarked Reserves Allocated for use in 2016/17			
Funding from revenue balance			(105)
Telephone system			(20)
Lift Renewal			(30)
Refund to constituent authorities			(440)
Contribution to reserves in 2016/17			
Underspend on Revenue budget			74
Projected Closing Balance Usable Reserves			359
Minimum reserves required 4% of budget			105