

Lothian Valuation Joint Board

Edinburgh, 4 February 2019

Present:

City of Edinburgh Council – Councillors Doran, Gordon, Gloyer, Henderson, Rust and Work.

Midlothian Council – Councillor Russell.

West Lothian Council – Councillors McGuire (Vice-Convener) (in the Chair) and Timson.

1. Chair

In the absence of the Convener (Councillor Day), the Vice-Convener chaired the meeting.

2. Minute

Decision

To approve the minute of the Lothian Valuation Joint Board of 5 November 2018 as a correct record.

3. Revenue Budget 2019/2020

The Board had approved a one-year budget for 2018/19 of £5.847m. This represented a reduction of £0.271m (-4.4%) from 2017/18.

The Assessor and ERO had undertaken a Transformation and Cultural Change Programme review during 2017/18 resulting in sustainable savings. Thereafter, the Board approved a new organisational structure in February 2018. The 2019/20 budget has been developed on this structure.

Revenue budget planning for 2019/20 included:

- provision of £0.163m for inescapable employee cost pressures for pay award (estimated at 3%) and increments;
- compensating employee turnover savings of £0.163m – effectively an efficiency saving of 2.79%.

The 2019/20 budget assumed no change from the 18/19 budget of £5.847m, prior to inclusion of new statutory burdens to deliver recommendations of the Barclay Review.

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Decision

- 1) To approve the proposed budget for 2019/20 and the issue of requisitions from the Treasurer to constituent councils as follows:

Council	Requisition 19/20	%
City of Edinburgh	£3,583,799	61.29%
Midlothian	£ 534,441	9.14%
East Lothian	£ 625,659	10.70%
West Lothian	£1,103,382	18.87%
Total:	£5,847,281	100.00%

- 2) To recommend that funding included in the Local Government Settlement for implementing the recommendations of the Barclay Review and allocated through the SDG be fully passed onto the Board by means of a supplementary requisition during 2019/20.
- 3) To note that a medium-term (five year) financial plan would be presented to the Board in April 2019.
- 4) To note that the Assessor and ERO would update the Board during 2019/20 of any changes to Barclay / Individual Electoral Registration with service/financial implications, both within the medium-term financial plan and the quarterly Board cycle.
- 5) To continue to develop risk mitigation measures to address the financial risks identified in Section 6 of the report, underwritten by the General Reserve balance.

(Reference – report by the Treasurer, submitted)

4. Period 9 Financial Statement 2018-2019

The projected revenue budget outturn position to 31 March 2019 was presented based on the position at period ending 30 December 2018. The projected outturn indicated a forecast under spend of £0.080m which represented an increase in expenditure of £0.023m to that reported to the November meeting of the Board.

The 2018/19 budget assumed that all costs would be met by grant from the Cabinet Office. Grant of £0.241m had been received for 2018/19 from the Cabinet Office and unspent grant of £0.350m had been carried over from 2017/18. Total grant of £0.591m was therefore currently available to fund Individual Electoral Registration costs in 2018/19. It was not anticipated that costs would exceed grant and for reporting purposes the current forecast assumed a carry-forward to 2019/20 of £0.367m.

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Decision

To note the projected outturn position for 2018/2019.

(References – Lothian Valuation Joint Board 5 November 2019 (item 2); report by the Treasurer, submitted)

5. Budget Report 2019-2020

Information was provided aligning budget provision with service delivery during 2019/2020. Existing risks and pressures on service delivery were identified with associated impact on 2019/20 budget provision detailed.

The Board's Corporate Plan and Service Plan for 2018-2019 were also submitted as set out in Appendix 1 of the Assessor's report.

Decision

- 1) To note the report.
- 2) To agree, in principle, that the General Reserve Fund might provide the necessary mitigation to support the required 2019/20 budget outturn.

(Reference – report by the Assessor and Electoral Registration Officer, submitted.)

6. Update on Barclay Review of Non-Domestic Rates

Members were provided with an update on matters arising from the implementation of the Barclay Review of Non-Domestic Rates recommendations.

The latest iteration of the Board's Barclay Risk Register was also presented. This showed that there were currently 2 risks set at red status, 9 at amber and 13 at green. This compared favourably to the last position reported to the November meeting of the Board which highlighted 7 red risks, 10 amber and 7 green.

Decision

To note the report and that further updates would be reported to future Board meetings.

(References – Lothian Valuation Joint Board 5 November 2019 ((item 4); report by the Assessor and Electoral Registration Officer, submitted.)

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7. Annual Investment Strategy

Decision

To approve the annual investment strategy for 2019/20 set out in appendix 1 of the report by the Treasurer.

(Reference – report by the Treasurer, submitted)

8. Future Meeting Arrangements June 2019 to June 2020

Decision

- 1) To approve the schedule of meetings for the period to June 2019 as follows:

Monday 17 June 2019 (Unaudited Accounts)	10:00am	Edinburgh
Monday 2 September 2019	10:00am	Edinburgh
Monday 4 November 2019	10:00am	Edinburgh
Monday 3 February 2020 (Revenue Budget)	10:00am	Edinburgh
Monday 20 April 2020	10:00am	Edinburgh
Monday 15 June 2020 (Unaudited Accounts)	10:00am	Edinburgh

- 2) To agree that meetings of the Joint Consultative Group would be held on an ad hoc basis as required.

(Reference – report by the Chief Executive and Clerk, submitted)