

Lothian Valuation Joint Board

Edinburgh, 5 February 2018

Present:

City of Edinburgh Council – Councillors Key (Convener), Booth, Doggart, Gordon, Gloyer, Henderson, Rust and Work.

East Lothian Council – Councillors Goodfellow and Henderson.

Midlothian Council – Councillors Russell and Winchester.

West Lothian Council – Councillor McGuire (Vice-Convener).

1 Minute

Decision

To approve the minute of the Lothian Valuation Joint Board of 20 November 2017 as a correct record.

2 Revenue Budget 2018/19

The Board's revenue budget amounting to £5.847m for 2018/19 was presented. This represented a reduction of £0.271m (-4.4%) from the £6.118m approved for 2017/18. The proposed budget included growth as follows:

- Provision of £0.117m for employee cost pressures of pay award (2.4%) and increments
- Provision of £0.022m for the additional cost of employer pension contributions due to the 0.5% increase from 20.9% to 21.4% following Lothian Pension Fund Actuarial Review 2017.

The Board was also recommended to approve a formal reserves policy in light of risks highlighted in section 5 of the Treasurer's report.

The Board would continue to incur Individual Electoral Registration (IER) costs in 2018/19. The Cabinet Office had stated its commitment to provide IER grant until 31 March 2020.

The ongoing financial pressure arising from IER had also been subject to numerous reports to the Board throughout the year.

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Decision

- 1) To approve the budget for 2018/19 and to authorise the Treasurer to requisition the individual constituent Councils as follows:

Constituent Council	Requisition 2018/19
City of Edinburgh	£3,575,028
Midlothian	£539,704
East Lothian	£636,184
West Lothian	£1,096,365
Total	£5,847,281

- 2) To approve a formal reserves policy based on holding a general reserve with a minimum value of 3% of annual requisition. Balances held in excess of 3% required to be reviewed annually in line with risk/identified commitments and an update provided to the Board in the November following the budget approval date.
- 3) To note that the Interim Assessor and ERO would report to the Board on performance of the service review during 2018/19 including any options to implement further efficiencies through the voluntary early release scheme by November 2018.
- 4) To note that the Interim Assessor and ERO would update the Board during 2018/19 of any changes to IER with service/financial implications.
- 5) To note the risks identified in section 5 of the report by the Treasurer and that the Interim Assessor and ERO and Treasurer would provide further updates on these in budget update reports throughout 2018/19.

(Reference – report by the Treasurer, submitted)

3 Budget Report 2018/19

The Interim Assessor and ERO provided an overview of the expected costs, income and risk to the Board within the budget provision for the financial year 2018/19.

The Board's Corporate Plan and Service Plan for 2018-2019 were also submitted.

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Decision

- 1) To note the report.
- 2) To note the support provided by the Interim Assessor and ERO to the proposed 2018/19 budget and the range of possible risks that might impact on current and future budget allocation and associated service delivery.
- 3) To note the Board's decision at item 2(2) above regarding the establishment of a formal reserves policy based on holding a general reserve with a minimum value of 3% of annual requisition

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

4 Period 9 Financial Statement 2017/18

The Board's actual and budgeted expenditure for the period to 31 December 2017 was reported together with a year-end projection to 31 March 2018.

At this stage, the projected outturn against the core budget indicated a forecast spend of £6.499m resulting in a net overspend of £0.335m.

Decision

To note the projected outturn position for 2017-2018.

(Reference – report by the Treasurer, submitted)

5 Annual Investment Strategy

Decision

To approve the annual investment strategy for 2018/19 set out in appendix 1 of the report by the Treasurer.

(Reference – report by the Treasurer, submitted)

6 Transformation and Cultural Change Programme

The Interim Assessor and ERO provided Members with an update on the ongoing organisational review of the service.

During 2017 an in depth investigation into existing processes and procedures supporting service delivery, an assessment of service priorities, a review of budgetary provision, an invitation to staff to consider voluntary early release and a subsequent redesign of the organisational structure were carried out.

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The review had been fully supported by staff participation and UNISON trade union consultation.

Decision

- 1) To approve the re-structuring proposals set out in the report with an implementation date effective from 1 April 2018.
- 2) To note that the required internal and external recruitment would be undertaken to facilitate the new structure.

(References – Lothian Valuation Joint Board 6 February 2017; report by the Interim Assessor and ERO, submitted)

7 Future Meeting Arrangements June 2018 to June 2019

Decision

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

Monday 18 June 2018 (Unaudited Accounts)	10:00am	Edinburgh
Monday 3 September 2018	10:00am	Edinburgh
Monday 5 November 2018	10:00am	Edinburgh
Monday 4 February 2019 (Revenue Budget)	10:00am	Edinburgh
Monday 22 April 2019	10:00am	Edinburgh
Monday 17 June 2019 (Unaudited Accounts)	10:00am	Edinburgh

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

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