

Report

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	1 June 2020
Report by:	Treasurer to Lanarkshire Valuation Joint Board

Subject:	Revenue Budget Monitoring 2020/2021 - Lanarkshire Valuation Joint Board
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2020 to 24 April 2020
- ◆ provide a forecast for the year to 31 March 2021

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation(s):-

- (1) that an underspend of £0.042 million on Lanarkshire Valuation Joint Board's revenue budget, as detailed in Appendix A of the report, be noted; and
- (2) that the forecast to 31 March 2021 of break even, be noted.

3. Background

- 3.1. This is the first revenue budget monitoring report presented to the Lanarkshire Valuation Joint Board for the financial year 2020/2021.
- 3.2. The report details the financial position for Lanarkshire Valuation Joint Board on Appendix A.

4. Employee Implications

4.1. None

5. Financial Implications

- 5.1. **Barclay Funding:** The Scottish Government has granted funding totalling £0.594 million for 2020/2021. These funds have been allocated to councils and will be transferred to the Board via requisition payments in 2020/2021. The amounts from North and South Lanarkshire Councils are £0.297 million. The spend will be experienced in Employee Costs, therefore the annual budget for Employee Costs and Requisition Payments has been revised in respect of this in Appendix A.
- 5.2. The agreed allocation is dependent on recruitment timescales. Currently, an underspend is likely in respect of these additional Barclay funds in 2020/2021. This will be monitored as part of the ongoing Revenue Monitoring to the Board.

- 5.3. **Period 1 Monitoring Position:** As at 24 April 2020, the variance from phased budget to date is an underspend of £0.042 million.
- 5.4. **Forecast Position:** The financial forecast to 31 March 2021 is a break even position.
- 6. Other Implications**
- 6.1. The main risk associated with the Board's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied. The risk is managed by through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken, where appropriate.
- 6.2 There are no implications for sustainability in terms of the information contained in this report.
- 7. Equality Impact Assessment and Consultation Arrangements**
- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning
Treasurer

5 May 2020

Previous References
None

List of Background Papers

- ◆ Revenue Budget 2020/2021 – Lanarkshire Valuation Joint Board – 2 December 2019

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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LANARKSHIRE VALUATION JOINT BOARD

Revenue Budget Monitoring Report

Period Ended 24 April 2020 (No.1)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 24/04/20	Actual 24/04/20	Variance 24/04/20		% Variance 24/04/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,606	3,606	0	240	196	44	under	18.3%	1,a
Property Costs	5	5	0	4	4	0	-	n/a	
Supplies & Services	81	81	0	31	33	(2)	over	(6.5%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	664	664	0	8	8	0	-	n/a	
Payments to Other Bodies	22	22	0	0	0	0	-	n/a	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	14	14	0	0	0	0	-	n/a	
Total Controllable Exp.	4,392	4,392	0	283	241	42	under	14.8%	
Total Controllable Inc.	(319)	(319)	0	0	0	0	-	n/a	
Net Controllable Exp.	4,073	4,073	0	283	241	42	under	14.8%	
Add Non Controllable Budgets									
Central Support Costs	492	492	0	0	0	0	-	n/a	
Total Budget	4,565	4,565	0	283	241	42	under	14.8%	
Funded By:									
North Lanarkshire Council	(2,195)	(2,195)	0	(183)	(183)	0	-	n/a	1
South Lanarkshire Council	(2,195)	(2,195)	0	(183)	(183)	0	-	n/a	1
Transfer (From) Reserves	(175)	(175)	0	0	0	0	-	n/a	
Net Budget	0	0	0	(83)	(125)	42	under	14.8%	

Virement

- 1 Employee Costs / Income: Additional Barclay Spend/Funding – Increase the Employee Costs budget by £0.594m and increase the Requisition Funding from North and South Lanarkshire councils by £0.297m respectively (section 5.2).

Variance Explanations

- a **Employee Costs:** The underspend reflects recruitment timescales.