

Report

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	4 March 2024
Report by:	Treasurer to Lanarkshire Valuation Joint Board

Subject:	Revenue Budget Monitoring and Probable Outturn Position 2023/2024 - Lanarkshire Valuation Joint Board
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide a forecast for the year to 31 March 2024
- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2023 to 26 January 2024

2. Recommendation(s)

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

- (1) that it be noted that, following the Probable Outturn exercise, the transfer to Reserves for the current financial year is £0.120 million (section 4.1 and Appendix A);
- (2) that it be noted that, following the transfer to Reserves of £0.120 million, the Reserves balance at the end of March 2024 will be £1.841 million (section 4.1); and
- (3) that an underspend to date of £0.284 million on Lanarkshire Valuation Joint Board's revenue budget as at 26 January 2024 (section 4.2 and Appendix A), be noted.

3. Background

3.1. This is the fourth revenue budget monitoring report presented to the Lanarkshire Valuation Joint Board for the financial year 2023/2024.

3.2. The report details the financial position for Lanarkshire Valuation Joint Board as at 26 January 2024 as well as detail on the annual Probable Outturn exercise carried out for financial year 2023/2024. These are detailed in section 4 and shown in Appendix A.

4. 2023/2024 Probable Outturn and Revenue Monitoring

4.1. **Probable Outturn Position:** As previously reported to the Board (December 2023), the probable outturn exercise noted a Transfer to Reserves of £0.120 million. This is £0.392 million of an underspend against the originally anticipated use of Reserves of £0.272 million and mainly reflects the staffing position experienced by the Board. This would take the level of Reserves to £1.841m at the end of the year.

4.2. **Period 11 Monitoring Position:** As at 26 January 2024, the variance from phased budget to date is an underspend of £0.284 million. This is shown in Appendix A along with variance explanations. This is in line with the anticipated underspend for the year of £0.392 million.

5. Financial Implications

- 5.1. The financial implications are noted in section 4 of the report.

6. Employee Implications

- 6.1. None

7. Climate Change, Sustainability and Environmental Implications

- 7.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

8. Other Implications

- 8.1. 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 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.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. 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.
- 9.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning
Treasurer

13 February 2024

Previous References

- ◆ Revenue Budget Monitoring 2023/2024 – Lanarkshire Valuation Joint Board – 5 June 2023
- ◆ Revenue Budget Monitoring 2023/2024 – Lanarkshire Valuation Joint Board – 4 September 2023
- ◆ Revenue Budget Monitoring 2023/2024 – Lanarkshire Valuation Joint Board – 4 December 2023

List of Background Papers

- ◆ Revenue Budget 2023/2024 – Lanarkshire Valuation Joint Board – 5 December 2022

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 26 January 2024 (No.11)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 26/01/24	Actual 26/01/24	Variance 26/01/24		% Variance 26/01/24	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,261	2,903	358	2,620	2,346	274	under	10.5%	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	159	166	(7)	142	145	(3)	over	(2.1%)	
Transport and Plant	5	5	0	3	3	0	-	0.0%	
Administration Costs	490	472	18	393	377	16	under	4.1%	2
Payments to Other Bodies	31	31	0	28	27	1	under	3.6%	
Financing Charges	13	(15)	28	3	2	1	under	33.3%	
Total Controllable Exp.	3,959	3,562	397	3,189	2,900	289	under	9.1%	
Total Controllable Inc.	(60)	(60)	0	(60)	(60)	0	-	0.0%	
Net Controllable Exp.	3,899	3,502	397	3,129	2,840	289	under	9.2%	
Add Non Controllable Budgets									
Central Support Costs	381	386	(5)	222	227	(5)	over	(2.3%)	
Total Budget	4,280	3,888	392	3,351	3,067	284	under	8.5%	
Funded By:									
North Lanarkshire Council	2,004	2,004	0	1,670	1,670	0	-	0.0%	
South Lanarkshire Council	2,004	2,004	0	1,670	1,670	0	-	0.0%	
Transfer From / (To) Reserves	272	(120)	392	0	0	0	-	n/a	
Net Budget	0	0	0	11	(273)	284	under	(2,582%)	

Variance Explanations**1. Employee Costs**

The underspend reflects vacant posts for which recruitment is ongoing.

2. Administration Costs

The underspend (£0.016m) mainly reflects lower than budgeted for costs of Engaging Counsel in relation to valuation appeals following the transfer of the Valuation Appeal Panel to the Scottish Courts and Tribunal Services.