

Report

Report to:	Lanarkshire Valuation Joint Board
Date of Meeting:	6 March 2023
Report by:	Treasurer to Lanarkshire Valuation Joint Board

Subject:	Revenue Budget Monitoring and Probable Outturn Position 2022/2023 - 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 2023
- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2022 to 27 January 2023

2. Recommendation(s)

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

- (1) that following the probable outturn exercise, the transfer to Reserves for the current financial year is £0.061 million (section 4.1 and Appendix A), be noted;
- (2) that following the transfer to Reserves of £0.061 million, the Reserves balance at the end of March 2023 will be £1.540 million (section 4.1), be noted; and
- (3) that an underspend to date of £0.100 million on Lanarkshire Valuation Joint Board's revenue budget as at 27 January 2023 (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 2022/2023.

3.2. The report details the financial position for Lanarkshire Valuation Joint Board as at 27 January 2023 as well as a reminder of the annual probable outturn exercise carried out for financial year 2022/2023. These are detailed in section 4 and shown in Appendix A.

4. 2022/2023 Probable Outturn and Revenue Monitoring

4.1. **Probable Outturn Position:** As previously reported to the Board (December 2022), the probable outturn exercise noted a Transfer to Reserves of £0.061 million. This is £0.121 million of an underspend against the originally anticipated use of Reserves of £0.060 million and mainly reflects the staffing position experienced by the Board. This would take the level of Reserves to £1.540m at the end of the year.

4.2. **Period 11 Monitoring Position:** As at 27 January 2023, the variance from phased budget to date is an underspend of £0.100 million. This is shown in Appendix A along with variance explanations. This is in line with the anticipated underspend for the year of £0.121 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

1 February 2023

Previous References

- ◆ Revenue Budget Monitoring and Probable Outturn 2022/2023 - Lanarkshire Valuation Joint Board (5 December 2022)

List of Background Papers

- ◆ Revenue Budget 2022/2023 - Lanarkshire Valuation Joint Board (6 December 2021)

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 27 January 2023 (No.11)

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 27/01/23	Actual 27/01/23	Variance 27/01/23		% Variance 27/01/23	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	3,137	2,951	186	2,521	2,366	155	under	6.1%	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	159	198	(39)	151	186	(35)	over	(23.2%)	2
Transport & Plant	0	1	(1)	0	2	(2)	over	n/a	
Administration Costs	561	562	(1)	406	419	(13)	over	(3.2%)	3
Payments to Other Bodies	31	31	0	29	28	1	-	3.4%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	13	37	(24)	15	36	(21)	over	(140.0%)	4
Total Controllable Exp.	3,901	3,780	121	3,122	3,037	85	under	2.7%	
Total Controllable Inc.	(17)	(17)	0	(18)	(32)	14	over recovery	(77.8%)	5
Net Controllable Exp.	3,884	3,763	121	3,104	3,005	99	under	3.2%	
Add Non Controllable Budgets									
Central Support Costs	381	381	0	202	201	1	under	0.5%	
Total Budget	4,265	4,144	121	3,306	3,206	100	under	3.0%	
Funded By:									
North Lanarkshire Council	(2,102.5)	(2,102.5)	0	(1,752)	(1,752)	0	-	0.0%	
South Lanarkshire Council	(2,102.5)	(2,102.5)	0	(1,752)	(1,752)	0	-	0.0%	
Transfer (From) Reserves	(60)	61	(121)	0	0	0	-	n/a	
Net Budget	0	0	0	(198)	(298)	100	under	(50.5%)	

Variance Explanations

- Employee Costs:** The underspend reflects vacant posts for which the recruitment is ongoing. This is partially offset by an overspend in overtime costs, which reflects an increase in Revaluation workload.
- Supplies and Services:** The overspend reflects additional systems development for Barclay recommendations and higher than budgeted costs of computer equipment maintenance.
- Administration Costs:** The overspend reflects higher than anticipated Valuation Appeals Panel Expenses for Quarters 1 and 2.
- Financing Charges:** The overspend relates to higher than budgeted IT leasing charges to cover the costs of both office-based desk top computers and laptops to facilitate home working, reflecting business need.
- Income:** The over recovery of income is in relation to additional funding received for New Burdens which will be used to fund additional Training Costs which are yet to be incurred.