

# Report

Report to:	<b>Lanarkshire Valuation Joint Board</b>
Date of Meeting:	<b>3 June 2024</b>
Report by:	<b>Treasurer to Lanarkshire Valuation Joint Board</b>

Subject:	<b>Revenue Budget Monitoring 2024/2025 - Lanarkshire Valuation Joint Board</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on the 2024/2025 Revenue Budget
- ◆ provide the forecast for the year to 31 March 2025
- ◆ provide actual expenditure as at 17 May 2024

## 2. Recommendation(s)

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

- (1) that the revisions to the Lanarkshire Valuation Joint Board's Revenue Budget for 2024/2025, summarised in Table 1, be noted; and
- (2) that the forecast of a minor underspend to 31 March 2025, and the actual to date 17 May 2024, both shown in Appendix A, 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 2024/2025.

3.2. The report provides an update on the Lanarkshire Valuation Joint Board Revenue Budget (section 5) and details the financial position as at 17 May 2024 (detailed in Appendix A).

3.3. South Lanarkshire Council has adopted a new Financial Management System, called Fusion, which integrates a number of business process across the Council including HR and Procurement/Payables data. In a financial management context, this will allow us to forecast budget information including staffing, and therefore means a change in format in relation to the reports provided to the Board. This is reflected in the monitoring statement in Appendix A.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. In December 2023, the Board approved a net budget of £4.008 million for 2023/2024. This is funded by council requisitions (£1.804 million from each council) and £0.400 million from Reserves. The budget included an assumption regarding the level of Barclay funding to be directed to the Board via council requisition payments.

- 5.2. Since then, the Local Government Finance Order 2024 has been received which confirms the Barclay allocation for the year 2024/2025. Additional funding has also been received in relation to New Burdens Funding. The impact of these is detailed in sections 5.3 to 5.5.
- 5.3. **Barclay Funding:** The Budget set in December 2023 assumed a Barclay allocation of £0.698 million for 2023/2024. These funds were allocated to councils and will be transferred to the Board via the usual council contribution process. The Local Government Finance Order 2024 confirmed the amount due to each council was an additional £0.010 million per Council meaning an additional £0.020 million will be transferred to the Board and will increase the 2024/2025 Budget.
- 5.4. **Electoral Integrity Programme New Burdens Funding:** The UK Government have allocated £0.238 million of one-off funding to the Board for 'New Burdens' in relation to the electoral integrity programme. The budget shown in Appendix A takes account of the additional funding and includes an additional expenditure budget to allow spend to be made appropriately.
- 5.5. As a result of the Barclay Grant confirmation and the new Electoral Integrity Funding, the level of anticipated spend for 2024/2025 has been refined. Taking these into account means that the budgets for Net Expenditure and Funding from requisitions and Reserves have both been increased by a £0.020 million (the income for New Burdens is direct income to the Board and does not affect requisition income from the councils). The budget realignments are detailed in Table 1 and included in the monitoring report in Appendix A.

**Table 1: Revised Budget 2024/2025**

	<b>2024/2025 £</b>
<b>Base Net Expenditure Budget (December 2023)</b>	<b>4.008</b>
<i>Plus Increase in Barclay Funding (section 5.3)</i>	0.020
<i>Plus Increase to reflect Levelling Up (£0.238m) offset by Levelling Up Income (£0.238m) (section 5.4)</i>	-
<b>Revised Net Expenditure Budget</b>	<b>4.028</b>
<b>Funded by: Requisitions and Reserves (December 2023)</b>	<b>4.008</b>
<i>Plus Increase in Council Requisitions for Barclay Funding (section 5.3)</i>	0.020
<b>Revised Funding from Requisitions and Reserves</b>	<b>4.028</b>

- 5.6. **Summary of 2024/2025 Budget:** These adjustments take the overall net budget to £4.028 million. This revised budget is included in Appendix A.
- 5.7. **Period 2 Monitoring Position:** As at 17 May 2024, the projected outturn variance is an underspend of £0.081 million, reflecting current staffing levels.
- 5.8. The actual spend to 17 May 2024 is £0.116 million.
- 6. Climate Change, Sustainability and Environmental Implications**
- 6.1. There are no climate change, sustainability or environmental implications in terms of the information contained in this report.

## **7. Other Implications**

- 7.1. 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.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. 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.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Jackie Taylor**  
**Treasurer**

17 May 2024

## **Previous References**

- ◆ None

## **List of Background Papers**

- ◆ Revenue Budget 2024/2025 – Lanarkshire Valuation Joint Board – 4 December 2023

## **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 17 May 2024 (No.2)

<b>Budget Category</b>	<b>Annual Budget £000</b>	<b>Projected Outturn £000</b>	<b>Projected Outturn Variance Against Budget £000</b>	<b>(Over) / Under £000</b>	<b>% Variance £000</b>	<b>Year to Date Actual 18/05/24 £000</b>	<b>Note</b>
Employee Costs	3,242	3,161	81	under	2.5%	355	1,a,b
Property Costs	202	202	0	0	0.0%	0	
Supplies & Services	159	159	0	0	0.0%	102	
Transport & Plant	5	5	0	0	0.0%	0	
Administration Costs	251	251	0	0	0.0%	34	
Payments to Other Bodies	31	31	0	0	0.0%	0	
Financing Charges	13	13	0	0	0.0%	1	
<b>Total Controllable Exp.</b>	<b>3,903</b>	<b>3,822</b>	<b>81</b>	<b>under</b>	<b>2.1%</b>	<b>492</b>	
<b>Total Controllable Inc.</b>	<b>(256)</b>	<b>(256)</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>(0)</b>	a
<b>Net Controllable Exp.</b>	<b>3,647</b>	<b>3,566</b>	<b>81</b>	<b>under</b>	<b>1.6%</b>	<b>492</b>	
<b>Add Non-Controllable Budgets</b>							
Central Support Costs	381	381	0	0	n/a	0	
<b>Total Budget</b>	<b>4,028</b>	<b>3,947</b>	<b>81</b>	<b>under</b>	<b>2.2%</b>	<b>488</b>	
<b>Funded By:</b>							
North Lanarkshire Council	1,814	1,814	0	0	0.0%	302	b
South Lanarkshire Council	1,814	1,814	0	0	0.0%	302	b
Transfer to / (From) Reserves	400	400	0	0	0.0%	0	
<b>Net Budget</b>	<b>0</b>	<b>81</b>	<b>81</b>	<b>under</b>	<b>n/a</b>	<b>116</b>	

**Variance Explanations**

- 1 **Employee Costs:** The forecast underspend reflects current vacant posts for which the recruitment is ongoing. For the purposes of the forecast position, full establishment has been assumed moving forward. The forecast will be updated in future reporting as the year continues and as recruitment is confirmed.

**Virement**

- a. **Electoral Integrity New Burdens Funding (£nil effect)** – Increase Employee Costs by £0.238m and Increase Income by £0.238m each (section 5.4).
- b. **Barclay Funding (£nil effect)** – Increase Employee Costs by £0.020m and Increase both Council Requisition Payments by £0.010m each (section 5.5).