

HIGHLAND AND WESTERN ISLES VALUATION JOINT BOARD

20 November 2018

Agenda Item	5
Report No	VAL/25/18

Revenue Monitoring Report Period to 1 November 2018

Report by the Assessor and Electoral Registration Officer

Summary

This report sets out the revenue monitoring position of the Board for the period to 1 November 2018 and the projected year end position.

1. Current Position

The attached monitoring statement shows the position for the period to 1 November 2018. Net expenditure to date is £1.640m and represents 57.34% of the annual budget of £2.860m.

2. Year-end Projection

- 2.1** At this point in the year, the overall outturn is expected to be an overspend of £0.156m, however, as in previous years; this projection is sensitive to the eventual outturn of the annual electoral canvass.
- 2.2** There is additional uncertainty relating to the costs associated with Valuation Appeal hearings scheduled throughout the current financial year. We are currently estimating an overspend of £0.147m in the year however as previously reported, this is area of spend where the Assessor has no control. The higher number of appeal citations has also resulted in an increase in the Assessor's legal costs. With a number of continuation hearings scheduled for the second part of the financial year, it is anticipated that legal fees will be overspent by £0.035m.
- 2.3** Staff costs indicate an underspend of £0.033m, largely through the management of staff vacancies however advertising of some vacant posts is currently underway and some appointments have been made. In addition there has been a better uptake this year to the annual canvass which may result in less canvassers' costs by the end of the financial year. This taken together with possible recruitment delay may improve the outturn.
- 2.4** An overspend is projected on heating, lighting and cleaning due to electricity charges in Stornoway being based on estimates since 2017 due to a faulty electric meter. It is also anticipated that gas costs will be incurred for 2017 and 2018 in Stornoway which the department has been seeking guidance on from the current landlord and The Highland Council. There is a slight increase in refuse collection

fees due to review of documentation held for GDPR purposes and an increase in confidential waste as a result of this review.

- 2.5** Expenditure on postages for the period to date would indicate a slight overspend, however the bulk of expenditure has fallen within the first half of the year due to the timing of the annual canvass. It is anticipated that the full budget under this head will not be required, as to date, we have seen an increased use of interactive voter registration throughout the annual canvass period. A larger number of electoral letters are now being issued through our printing contract at a reduced postage rate.
- 2.6** Payments for computer charges are projected as being within budget however an increase in costs by Wipro for chargeable requests may result in an overspend once charges are made.
- 2.7** An estimated shortfall of income is anticipated of £0.012m as a result of a lower than anticipated initial allocation of grant from the Cabinet Office for the costs associated with IER. A subsequent justification led bid will be submitted for additional funding in early 2019.
- 2.8** In order to address the £0.156m overspend currently forecast the board will be required to utilise the general fund reserve in full. Continued monitoring will be necessary to mitigate the risk that a further requisition will be required.

3. Recommendation

The Board is invited to comment and otherwise note the content of this report.

Designation: Assessor and ERO

Date: 7 November 2018

Author: Bill Gillies

Assessor & ERO

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

**REVENUE BUDGET 2018/19
MONITORING STATEMENT FOR THE PERIOD ENDED 01 NOVEMBER 2018**

Heading	Period to date		Annual Estimated		Year End Estimated variance £000
	Budget £000	Actual £000	Budget £000	outturn £000	
Staff costs					
Salaries including NI, superann and overtime	1,083	957	1,856	1,823	(33)
Travel and subsistence	46	25	79	79	-
Other staff costs	32	22	54	54	-
	1,161	1,004	1,989	1,956	(33)
Property costs					
Heating, lighting and cleaning	27	13	46	53	7
Rent, rates and water	183	183	207	207	-
Other property costs	5	4	8	8	-
	215	200	261	268	7
Administrative costs					
Printing, stationery and photocopying	22	9	37	37	-
Postages	105	132	180	168	(12)
Telephone and fax costs	7	2	11	11	-
Advertising	1	3	3	3	-
Legal expenses	12	14	20	55	35
Other administration costs	6	0	10	10	-
	153	160	261	284	23
Apportioned Costs					
Central service support	0	0	60	60	-
Transport costs	3	2	5	5	-
Supplies and services					
Computer charges	305	306	351	351	-
	305	306	351	351	-
Board expenses	6	0	10	10	-
Valuation Appeal Committee expenses	31	62	53	200	147
TOTAL EXPENDITURE	1,874	1,734	2,990	3,134	144
Income	(76)	(94)	(130)	(118)	12
NET EXPENDITURE	1,798	1,640	2,860	3,016	156