

HIGHLAND AND WESTERN ISLES VALUATION JOINT BOARD

25 January 2019

Agenda Item	6
Report No	VAL/1/19

Revenue Monitoring Report Period to 3 January 2019

Report by the Assessor and Electoral Registration Officer

Summary

This report sets out the revenue monitoring position of the Board for the period to 3 January 2019 and the projected year end position.

1. Current Position

The attached monitoring statement shows the position for the period to 3 January 2019. Net expenditure to date is £2.054m and represents 71.8% 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 £0.66m, however, as in previous years; this projection is sensitive to the eventual outturn of the annual electoral canvass along with the outcome of a justification led bid submitted to the Cabinet Office.

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 £0.127m 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 £0.081m, largely through the management of staff vacancies. Recent appointments have been made internally and advertising of some vacant posts is currently underway. 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** An underspend is projected in printing, stationery and photocopying costs due to less stationery being ordered annually for canvassing staff and through the use of the printing contract with Critiqom.
- 2.6** Expenditure on postages for the period to date would indicate a slight overspend, however the bulk of expenditure fell 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 and an underspend of £0.012m is projected. A larger number of electoral letters are now being issued through our printing contract at a reduced postage rate.
- 2.7** 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.
- 2.8** An estimated shortfall of income was previously anticipated of £0.012m as a result of a lower initial allocation of grant from the Cabinet Office for the costs associated with IER of £0.032m. A justification led bid of £0.037m was submitted to the Cabinet Office on 21December 2018 and the outcome of this bid should be available before the end of the current financial year.
- 2.9** In order to address the £0.066m overspend currently forecast the Board will be required to utilise some of the general fund reserve and continued monitoring will be necessary.

3. Recommendation

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

Designation: Assessor and ERO

Date: 18 January 2019

Author: Bill Gillies

Assessor & ERO

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

**REVENUE BUDGET 2018/19
MONITORING STATEMENT FOR THE PERIOD ENDED 03 JANUARY 2019**

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	1,392	1,249	1,856	1,775	(81)
Travel and subsistence	59	40	79	79	-
Other staff costs	41	37	54	54	-
	1,492	1,326	1,989	1,908	(81)
Property costs					
Heating, lighting and cleaning	34	17	46	50	4
Rent, rates and water	191	191	207	207	-
Other property costs	6	4	8	8	-
	231	212	261	265	4
Administrative costs					
Printing, stationery and photocopying	28	12	37	35	(2)
Postages	135	142	180	168	(12)
Telephone and fax costs	9	3	11	11	(0)
Advertising	2	3	3	3	-
Legal expenses	15	14	20	55	35
Other administration costs	8	3	10	10	-
	197	177	261	282	21
Apportioned Costs					
Central service support	0	0	60	60	-
Transport costs	4	3	5	5	-
Supplies and services					
Computer charges	336	336	351	351	-
	336	336	351	351	-
Board expenses	8	0	10	10	-
Valuation Appeal Committee expenses	40	96	53	180	127
TOTAL EXPENDITURE	2,308	2,150	2,990	3,060	70
Income	(97)	(96)	(130)	(135)	(5)
NET EXPENDITURE	2,211	2,054	2,860	2,925	66