

HIGHLAND AND WESTERN ISLES VALUATION JOINT BOARD

20 November 2020

Agenda Item	5
Report No	VAL/8/20

Revenue Monitoring Report Period to 31 October 2020

Report by the Assessor and Electoral Registration Officer

Summary

This report sets out the revenue monitoring position of the Board for the period to 31 October and the projected year end position.

CURRENT POSITION

The attached monitoring statement shows the position for the period to 31 October 2020. Net expenditure to date is £1.574m and represents 47% of the annual budget of £3.340m.

YEAR-END PROJECTION

At this point in the year, the overall outturn is expected to be an underspend of £0.198m, however, as in previous years, this projection is sensitive to the eventual outturn of the annual electoral canvass. In line with Scottish Government guidance on the Covid-19 pandemic, staff continue to work from home and as previously reported, it is unclear when a full return to the office can be expected.

Staff costs

Salaries including NI, superannuation and overtime

Salary costs indicate an underspend of £0.153m, largely through the management of staff vacancies and difficulties experienced in recruiting.

The post of Senior Valuer has been advertised and vacant admin/clerical posts will be advertised in due course, some of which will be funded through the Barclay implementation grant. A temporary clerical assistant for the Central Admin section has been appointed through Global Highland to assist with preparation for the Scottish Parliamentary election in May 2021 and other projects related to the new EMS system.

Travel and subsistence

An underspend of £0.042m is estimated under this budget heading. Due to Covid-19 restrictions, valuation and technical staff have been unable to carry out survey visits and electoral canvassers have been unable to carry out doorstep visits. The Electoral Registration Officer is currently risk assessing doorstep visits for the annual canvass of

electors and has written to all canvassers to gauge availability/willingness to carry out this work. A decision will be taken in the coming weeks following Scottish Government guidance and local Covid protection level restrictions.

Property costs

Heating, Lighting and Cleaning

An underspend has been projected on heating and lighting costs as staff continue to work from home. Staff are visiting offices regularly and daily cleaning in all four of the Board's offices is being carried out.

Administrative Costs

Printing, stationery and photocopying

As staff are currently working from home, there has been a reduction in spend on stationery and printing costs however a return to the office by some staff may see an increase in expenditure under this budget heading in the coming months.

Postages

Expenditure on postages for the period to date would indicate a slight underspend however, the annual canvass of electors commenced later than usual due to migration to a new electoral management system in April however, costs should be significantly lower this year due to canvass reform changes. In November the Assessor will be issuing a letter to all proprietors, tenants and occupiers of non-domestic subjects on behalf of the Scottish Government on Barclay Reform changes.

The ERO anticipates a significant increase in postal voting for the Scottish Parliamentary election in May 2021. Plans are in place to issue forms to electors through an external print supplier which will reduce postage costs. Business reply envelopes will be included with all postal vote applications to allow redirection to an external scanning bureau.

A review of printing and postage provision has been undertaken. Although savings and improved working practices have been identified, the Assessor has been unable to make full use of the saving options available due to ICT restrictions. To date these issues are still unresolved and have been outstanding since early 2020 but have become critical with the ongoing Covid-19 situation and home working. A meeting is to be arranged with Highland Council ICT to try to resolve matters. An update will be provided at the next Board meeting.

Legal Expenses

While the period to date indicates zero expenditure, some legal work has been incurred but has not yet been invoiced. The Valuation Appeal Committee are in the process of citing approaching one thousand material change of circumstance appeals in relation to Covid-19 which are likely to require legal advice and/or representation.

Other Administration Costs

Other administration costs are currently showing no spend to date. Audit Scotland invoices for the current financial year still need to be received and processed. It is projected that this budget head will be within budget.

Transport Costs

As the Assessor has been following Scottish Government guidance in relation to Covid-19, meetings that would normally have been held across Scotland with the Scottish Assessors Association and other stakeholders, have been carried out by MS Teams reducing the requirement for hire cars. This position may change if and when restrictions are lifted.

Supplies and Services

Computer charges

Payments for computer charges are projected as being over budget however, annual billing from Wipro has not been processed. Due to Covid-19 the ERO has made provision for canvass forms to be scanned using an external scanning bureau. The use of the scanning bureau may be extended to include other electoral forms such as the annual signature refresh in January 2021, invitations to register and absent vote forms as part of contingency planning for the Scottish Parliamentary election in May 2021.

Board Expenses

With meetings being held using Microsoft Teams, a lower spend is predicted under this budget head.

Valuation Appeal Committee Expenses

There is uncertainty relating to the costs associated with Valuation Appeal hearings scheduled throughout the current financial year. The actuals to date for Valuation Appeal hearings show an overspend of £0.012m with an invoice for £0.010m for work carried out in October still to be paid. As previously reported, the Assessor has no control over this budget head. An overspend of £0.032m is currently projected.

Income

IER funding from the Cabinet Office is lower than projected for 2020/21. It was initially estimated that an allocation of £0.030m would be received however, under canvass reform legislation changes, the allocation has been reduced to £0.025m.

Whilst the year end projection shows additional income received of £0.040m, work was carried out by the EMS supplier to incorporate recent franchise changes, namely prisoner voting and extending the franchise for foreign nationals to allow them to vote at Scottish elections. This income has been offset by reimbursement of costs to the EMS supplier under computer charges.

The ERO has received confirmation from the Scottish Government that additional funding will be made available to deal with the anticipated increase in postal voting in the lead up to the Scottish Parliamentary election in May 2021. The level of funding is not known at present, but the ERO has contingency plans in place which include recruitment of additional temporary staff, use of an external scanning bureau for dealing with electoral mail and purchase of computer equipment. An update will be provided at the next Board meeting.

Recommendation

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

Designation: Assessor and ERO

Date: 10 November 2020

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Office & Support Manager

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD
REVENUE BUDGET 2020/21
MONITORING STATEMENT FOR THE PERIOD ENDED 31 October 2020

Heading	Period to date		Annual		Year End Estimated variance £000
	Budget £000	Actual £000	Budget £000	Estimated outturn £000	
Staff costs					
Salaries including NI, superann and overtime	1,285	1,114	2,203	2,050	(153)
Travel and subsistence	42	12	72	30	(42)
Other staff costs	26	26	45	45	0
	1,353	1,152	2,320	2,125	(195)
Property costs					
Heating, lighting and cleaning	28	7	47	37	(10)
Rent, rates and water	140	160	198	198	0
Other property costs	4	3	7	7	0
	172	170	252	242	(10)
Administrative costs					
Printing, stationery and photocopying	15	1	26	20	(6)
Postages	76	70	130	130	0
Telephone and fax costs	7	0	12	12	0
Advertising	1	0	2	2	0
Legal expenses	17	0	30	30	0
Other administration costs	5	0	9	9	0
	121	71	209	203	(6)
Apportioned Costs					
Central service support	0	0	60	60	0
Transport costs					
	3	0	5	1	(4)
Supplies and services					
Computer charges	222	163	380	410	30
	222	163	380	410	30
Board expenses					
	6	0	10	5	(5)
Valuation Appeal Committee expenses					
	81	93	139	170	32
TOTAL EXPENDITURE	1,958	1,649	3,375	3,216	(158)
Income	(20)	(75)	(35)	(75)	(40)
NET EXPENDITURE	1,938	1,574	3,340	3,141	(198)