

**HIGHLAND AND WESTERN ISLES VALUATION JOINT BOARD**

**18 February 2022**

Agenda Item	<b>5</b>
Report No	<b>VAL/1/22</b>

**Revenue Monitoring Report  
Period to 31 January 2022**

**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 January and the projected year end position.

**CURRENT POSITION**

The attached monitoring statement shows the position for the period to 31 January 2022. Net expenditure to date is £2.385m and represents 69% of the annual budget of £3.445m.

**YEAR-END PROJECTION**

At this point in the year, the overall outturn is expected to be an underspend of £0.071m, however, as in previous years, this projection is sensitive to the eventual outturn of the annual electoral canvass. The Assessor is still following the current Scottish Government advice on working from home and some uncertainty exists in relation to contingencies that may be necessary in relation to preparation for the Local Government Election and other implications for the sustained period of home working. As plans are made for a hybrid of home and office working some additional expenditure may be required to accommodate the new working arrangements.

**Staff costs**

**Salaries including NI, superannuation and overtime**

There is an estimated underspend on salary costs however there have been some recent changes in staffing due to flexible retirement or vacancies. An admin assistant post has recently been advertised and there are two clerical vacancies to be filled in due course.

Whilst there are some valuation vacancies to fill, overtime costs have increased due to the Scottish Parliament election, by-elections, the annual canvass of electors and republication of the revised register at the beginning of February. This has also increased holiday pay. It is hoped that the recruitment of new clerical staff members in November will reduce the amount of overtime to be worked once training has been delivered.

Additional staff will be recruited to assist with delivering the Local Government elections in May 2022. This work will involve processing postal vote applications.

### Travel and subsistence

An underspend of £0.020m is estimated under this budget heading due to reduced survey work in the early part of the financial year. Valuation staff are now carrying out survey visits however doorstep canvassing that was due to commence in November 2021 was delayed due to the new Omicron variant. It is envisaged that doorstep canvassing will commence in February 2022.

### Other staff costs

Other staff costs are projected to be overspent by the end of the financial year. This is largely due to training costs for staff undertaking professional qualifications.

### **Property costs**

#### Heating, Lighting and Cleaning

An underspend has been projected on heating and lighting costs as staff continue to work from home. This position may change in the coming months now that the Scottish Government guidance on working from home has been lifted.

Cleaning charges for Dingwall are not billed until the end of the financial year which accounts for the actual period to date being lower than the budget to date.

#### Rent, rates and water

It is anticipated that water charges for the year will be underspent and this has been reflected in the actual outturn.

#### Other Property Costs

Whilst there is a current underspend in the actuals to date, this budget head is projected as being overspent. This is to accommodate dilapidations for the Dingwall Office which are estimated to be in the region of £0.040m.

### **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. It is estimated however that there will be a saving in this financial year.

#### Postages

Expenditure on postages for the period to date would indicate a small overspend however, postage costs for canvass communications has fallen in the first part of the financial year. It is anticipated that postages will be overspent as the Electoral Registration Officer will be sending household notification letters (HNLs) to all households within Highland and Western

Isles at the beginning of February. The letter will bring deadline dates for the Local Government elections in May 2022 to the attention of electors and encourage early application for postal voting and registration.

As part of the 2023 revaluation preparation work, the Assessor has been issuing Assessor Information Notices to a number of valuation subjects which will continue to the end of the financial year. Approximately 20,000 notices will be issued with an estimated postage cost of £0.008m.

### Legal Expenses

Whilst there is a significant underspend at this point in the financial year, there may be some scope for LTS Referral charges to be paid before the end of March 2022.

### Telephone and fax costs

A new telephone system is being proposed under the G-Cloud 12 framework agreement to replace the current Avaya system at an estimated cost of £0.005m. This will allow the Assessor to have greater control over existing arrangements without involving Wipro and Highland Council ICT.

### Other admin costs

Due to some inconsistencies in allocation of subjective codes between the Monitoring report and the Accounts report, canvass costs have been moved from the budget heading Supplies and Services to Administrative costs. The bulk of the expenditure under Other admin costs is for external printing services and includes outlays for printing of the household notification letter.

### 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 Teams meetings reducing the requirement for hire cars. This position may change in the coming months.

### Supplies and Services

#### Computer charges

Payments for computer charges are projected as being overspent. Annual billing of £0.0172m from Wipro has not been processed to date. Due to Covid-19 an external scanning bureau was used to scan canvass returns with initial set up fees included in the cost.

Thirty five new tablets have been purchased for electoral canvassers which will allow for real time information to be imported into the electoral management system. With the introduction of telephone canvassing, it is anticipated that some of the purchase costs can be offset with reduced travel costs.

The EMS was successfully moved to a cloud hosted solution in August with additional costs being occurred. However, charges from Wipro will be reduced as updates to the EMS will now be carried out by the EMS software provider.

A rewrite of the current valuation system is being undertaken as a result of Barclay implementation along with addition of a project planning development tool. Estimated costs are in the region of £0.015m.

New computing equipment will require to be procured to allow to a hybrid return to office working. Some initial discussions have been held with Wipro.

### **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 would appear to show a very small underspend. As previously reported, the Assessor has no control over Valuation Appeal Committee costs.

It is anticipated that some council tax hearings will take place throughout the remainder of the financial year therefore, a slight overspend is anticipated.

### **Income**

As previously reported, IER funding from the Cabinet Office was anticipated to be around £0.015m however the ERO has received confirmation that there will be no funding in the current financial year.

The ERO has received funding from the Scottish Government in April 2021 of £0.072m to cover the cost of sending household notification letters in advance of the Scottish Parliament election. This additional income will be used to fund the issue of the household notification letter.

### **Recommendation**

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

Designation: Assessor and ERO

Date: 14 February 2022

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Office & Support Manager

**HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD**

**REVENUE BUDGET 2021/22  
MONITORING STATEMENT FOR THE PERIOD ENDED 31 January 2022**

Heading	Period to date		Annual		Year End Estimated variance £000
	Budget £000	Actual £000	Budget £000	Actual outturn £000	
<b>Staff costs</b>					
Salaries including NI, superann and overtime	1,902	1,707	2,282	2,144	(138)
Travel and subsistence	58	20	70	50	(20)
Other staff costs	33	47	40	47	7
	<b>1,993</b>	<b>1,774</b>	<b>2,392</b>	<b>2,241</b>	<b>(151)</b>
<b>Property costs</b>					
Heating, lighting and cleaning	40	20	48	43	(5)
Rent, rates and water	178	189	201	199	(2)
Other property costs	11	3	13	53	40
	<b>229</b>	<b>212</b>	<b>262</b>	<b>295</b>	<b>33</b>
<b>Administrative costs</b>					
Printing, stationery and photocopying	17	4	20	15	(5)
Postages	99	152	119	175	56
Telephone and fax costs	9	6	11	16	5
Advertising	2	0	2	2	0
Legal expenses	25	10	30	30	0
Other administration costs	14	41	10	44	34
	<b>166</b>	<b>213</b>	<b>192</b>	<b>282</b>	<b>90</b>
<b>Apportioned Costs</b>					
Central service support	<b>0</b>	<b>0</b>	<b>60</b>	<b>60</b>	<b>-</b>
<b>Transport costs</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>(2)</b>
<b>Supplies and services</b>					
Computer charges	337	163	411	420	9
	<b>337</b>	<b>163</b>	<b>411</b>	<b>420</b>	<b>9</b>
<b>Board expenses</b>	7	0	8	8	0
<b>Valuation Appeal Committee expenses</b>	113	97	136	140	4
<b>TOTAL EXPENDITURE</b>	<b>2,848</b>	<b>2,459</b>	<b>3,465</b>	<b>3,448</b>	<b>(17)</b>
<b>Income</b>	(17)	(74)	(20)	(74)	(54)
<b>NET EXPENDITURE</b>	<b>2,831</b>	<b>2,385</b>	<b>3,445</b>	<b>3,374</b>	<b>(71)</b>