

HIGHLAND AND WESTERN ISLES VALUATION JOINT BOARD

17 November 2023

Agenda Item	6
Report No	VAL/27/23

Revenue Monitoring Report Period to 31 October 2023

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 2023. Net expenditure to date is £1.730m and represents 48% of the annual budget of £3.634m.

YEAR-END PROJECTION

At this point in the year, the overall outturn is expected to be an underspend of £0.141m however, as in previous years, this projection is sensitive to the eventual outturn of the annual electoral canvass. There are also unfilled vacancies across the organisation. We are presently looking to reconfigure the office environment in Inverness to allow teams to work closely and some additional expenditure may be required to complete these arrangements.

At the previous Board meeting it was projected that the budget would be £0.0282m however an adjustment has been made by the Highland Council Finance Team to staffing costs to estimate pay award adjustments.

Staff costs

Salaries including NI, superannuation and overtime

There is an estimated underspend on salary costs however, as previously reported, it has been difficult to recruit to some vacant valuer and clerical positions. The posts of Depute Assessor & Electoral Registration Officer and Assistant Assessor have now been advertised with interviews being held on 7 November 2023.

The projected outturn now includes an estimated average 5% pay award. The budgeted amount was estimated at 3.25%.

Overtime is being worked by staff across the department on digitisation of non-domestic files in an effort to clear the additional space being rented at Moray House. Further staff are being recruited to assist with the digitisation project. Work associated with the 2023 Revaluation

of non-domestic properties has also required overtime working by valuation staff. Electoral staff are working overtime for delivery of the annual canvass and Elections Act work with Central Admin staff working overtime due to staff absence and electoral priorities.

Travel and subsistence

The actuals to date show an underspend on travel and subsistence at this point in the financial year however, doorstep visits for the annual canvass are ongoing.

It is anticipated that this budget head will be overspent by the end of the financial year.

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. Electoral staff are attending a number of training courses on Elections Act 2022 implementation and preparing for the next UK Parliamentary General Election, cross-boundary working implications. Elections Act training will be offset by some of the income received from the Department for Levelling Up, Housing and Communities.

Property costs

Heating, lighting and cleaning

Whilst the actuals to date show an underspend, an invoice from the Highland Council has been received for payment. This invoice includes an amount of £0.003m for electricity charges.

Rent, rates and water

The year end position on rent, rates and water shows an overspend. As previously reported, revaluation work and a lack of scanning staff at various times, has had an impact on the scanning project and movement of files from the additional rental space at Moray House. Although some progress is being made, it is expected that the rental of space will continue until the end of the financial year. Provision had been made in the draft budget for rental costs of six months only.

The current position shows a significantly higher period to date however, rates bills have been paid for the year.

Other property costs

Other property costs are on target to be overspent by the end of the financial year. This is due to maintenance costs incurred for all three of the Board's offices. Work includes repairs to the emergency lighting in Inverness, painting works and replacement blinds at Wick and various works in Stornoway including new stair nosing and replacement carpet.

PAT testing training has now been carried out by a member of staff in Stornoway and Inverness. This will reduce future costs.

Administrative Costs

Postages

Expenditure on postages for the period to date would indicate a significant overspend however, annual canvass postage costs have been incurred in the first part of the financial year. Due to an increase in postage costs, it is expected that this budget head will be overspent at the end of the financial year.

Telephone and fax costs

In financial year 2022/23, the Assessor procured a new telephone system for all three offices through a Highland Council ICT contract. Unfortunately, the Assessor is still running the old and new telephone systems and advice has been sought on billing from ICT. The problem with the continuation of the old telephone lines lies with the external provider and is beyond the control of ICT however, ICT colleagues at Highland Council are actively pursuing this matter. A meeting with the Head of ICT and Digital Transformation has been requested to discuss a number of ICT issues.

Advertising

Due to promotional events held at UHI to encourage voter registration, advertising costs are overspent. Further costs may be incurred before the end of the financial year advertising Election Act changes, namely Voter ID and absent vote changes. Some further work may be carried out with UHI by the end of March 2024.

Legal Expenses

The 22/23 accrual of £0.073m was for LTS referral fees related to rates appeals in place at that date. None of the fees have as yet been incurred. However, since 31 March 2023, some of the referrals have been withdrawn by agents. There has been ongoing correspondence with the Lands Tribunal for Scotland to bring this matter to a conclusion.

The Assessor is also presently awaiting confirmation as to whether a rating case will proceed to the Lands Valuation Appeal Court and is also in contact with the Upper Tribunal for Scotland regarding potential hydroelectricity cases to be run early in 2024.

Digitisation costs

Digitisation costs are expected to be within budget. Some staff are working overtime to assist with scanning of files. Additional staff are being recruited to scan files but also to check that information has been scanned correctly before files are sent for secure disposal. As the project is a three-year project, if there are any underspends, this will be carried forward to 2024/25.

Other administration costs

This budget head shows an overspend in the period to date actuals. Printing costs for the annual canvass of electors has fallen in the first part of the financial year. It is expected that other administration costs will be within budget.

Apportioned Costs

The Central Support Charges from Highland Council will be billed in month twelve and are estimated to be in the region of £0.060m.

Supplies and Services

Computer charges

ICT charges for the year have yet to be billed but are set to be in the region of £0.172m.

The purchase of a colour printer for Voter ID is being explored and will be discussed with Highland Council ICT on the best method of procuring this. Depending on costs, printers may be purchased for all three offices. Funding has been made available for purchase of equipment by the Department for Levelling Up, Housing and Communities.

Payments for computer charges are projected as being within budget.

Valuation Appeal Committee Expenses

Due to work being conducted on a Stated Case, the Assessor continues to receive invoices from the Valuation Appeal Committee. As previously reported, the Assessor has no control over this budget head.

Income

The Electoral Registration Officer has received funding of £0.026m to date from the Department for Levelling Up, Housing and Communities for Elections Act 2022 implementation work, with some income carried forward from budget year 2022/23. No further income is anticipated this financial year.

Recommendation

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

Designation: Assessor and ERO

Date: 7 November 2023

Author: Mandy Thomson

Depute ERO / Business Manager

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

**REVENUE BUDGET 2023/24
MONITORING STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2023**

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	1,476	1,174	2,532	2,278	(254)
Digitisation salaries incl. NI, superann, OT	-	20	-	40	40
Overtime	6	43	10	70	60
Salaries including NI, superann and overtime	1,482	1,237	2,542	2,388	(154)
Travel and subsistence	32	24	55	60	5
Other staff costs	33	38	56	65	9
	1,547	1,299	2,653	2,513	(140)
Property costs					
Heating, lighting and cleaning	21	13	35	35	-
Rent, rates and water	102	117	174	186	12
Other property costs	4	8	8	12	4
	127	138	217	233	16
Administrative costs					
Printing, stationery and photocopying	9	5	15	15	-
Postages	79	109	135	160	25
Telephone and fax costs	5	1	9	9	-
Advertising	1	4	2	6	4
Legal expenses	17	3	30	25	(5)
Digitisation costs	35	-	60	20	(40)
Other administration costs	36	42	62	62	-
	182	164	313	297	(16)
Apportioned Costs					
Central service support	35	-	60	60	-
Total Administrative costs	217	164	373	357	(16)
Transport costs	2	2	3	3	-
Supplies and services					
Computer charges	226	144	388	388	-
Valuation Appeal Committee expenses	4	14	6	20	14
	230	158	394	408	14
Members' Expenses					
Board expenses	6	-	10	10	-
TOTAL EXPENDITURE	2,129	1,761	3,650	3,524	(126)
Income					
Service Income	(9)	(31)	(16)	(31)	(15)
Interest Income	-	-	-	-	-
	(9)	(31)	(16)	(31)	(15)
NET EXPENDITURE	2,120	1,730	3,634	3,493	(141)