



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 24 AUGUST 2018

SUBJECT: REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 30 JUNE 2018

BY: TREASURER TO THE BOARD

1. REASON FOR REPORT

- 1.1 To consider the Revenue Budget Monitoring Statement for the period 1 April to 30 June 2018.

2 RECOMMENDATION

- 2.1 It is recommended that the Board considers and notes the Revenue Monitoring Statement to 30 June 2018.

3. CURRENT POSITION

- 3.1 At its meeting on 26 January 2018, the Board agreed the Revenue Budget for 2018/19 and approved that the requisitions to constituent authorities should be set at £4,292,000.
- 3.2 The **APPENDIX 1** shows the monitoring position to 30 June 2018 against the budget agreed in January. It gives details of the 2018/19 Revenue Budget, the Actual to date and the Variance to date.
- 3.3 Total net expenditure at 30 June 2018 is £978,000 which results in an underspend against budget to date of £45,000.
- 3.4 To date, there is a £40,000 underspend within employee costs. The pay award included in the budget are at the rates contained in the Public Sector Pay Policy, set out by the Scottish Government in December 2017. The key features of the 2018/19 Pay Policy are: providing a minimum increase of 3% for those who earn £30,000 or less; a limit of up to 2% for those earning above £30,000 and below £80,000; limiting the maximum pay increase for

those earning £80,000 or more to £1,600. Approximately £13,000 relates to the pay award that has not yet been agreed and the remainder is in respect of vacant posts in the establishment. The ongoing challenge of filling vacancies within the service has previously been highlighted to the Board and at the time

of writing this report there are 3.2 FTE vacant posts. Due to the retirement of the incumbent in July 2018, there will be a future vacancy for an Assistant Assessor.

- 3.5 A vacancy target of £52,000 was included in the budget for 2018/19, taking into account the history of underspends against budget within staffing costs.
- 3.6 The Property Costs budget has been reviewed this year and slight amendments made where required. Non Domestic Rates (NDR) for Woodhill House and the Elgin office are being charged separately to the service charge and the budget was increased this year due to the increase in the rate poundage. There is a minor variance to date in these headings.
- 3.7 There is a marginal variance within Transport Costs to date, which will be continue to be monitored.
- 3.8 The total budget for Supplies and Services increased in total in 2018/19 by £25,000 to £667,000.
- 3.9 Expenses for the Valuation Appeals Committee are difficult to project year on year as the costs are variable depending on what hearings are taken to the Lands Tribunal. The budget has remained at last year's level and shows an underspend of £9,000 to date.
- 3.10 There are other minor variances to date within the supplies and services budgets. These will continue to be monitored and reported on throughout the year.
- 3.11 The procurement of a new Electoral Management System (EMS) in 2018/19 will result in capital and revenue expenditure later in the year.
- 3.12 The budget and actual for support charges are processed at 31 March as part of the year end closedown.
- 3.13 There are no other significant variances to report at this early stage in the year.
- 3.14 During 2018/19 budget setting, the Board were made aware of the uncertainty regarding the level of central government grant funding for individual electoral registration (IER). The level of grant has been gradually declining over the last three years (£151,000 in 2017/18, £174,000 in 2016/17 and £208,000 in 2015/16) and a further decrease in 2018/19 was considered likely. A grant figure of £125,000 was budgeted for, with the possibility of additional one-off grants being available. The Cabinet Office recently issued the 2018/19 IER funding allocations to Valuation Joint Boards, and Grampian have been allocated £103,000. This shortfall in funding will have to be managed within the service, and the general fund reserve may be needed, which has a current balance of £153,000.

4. CONCLUSION

- 4.1 The total net expenditure as at 30 June 2018 is £978,000 giving an underspend against budget to date of £45,000.
- 4.2 The Assessor and his Senior Management Team closely monitor and control budgets in order to keep within agreed levels and generate savings wherever possible throughout the year.
- 4.3 A detailed estimated outturn statement will be reported at the Board meeting in October 2018.

Author of Report:	Susan Souter, Accountant.
Background papers:	Held within Accountancy Section, Moray Council
Date:	August 2018