



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 30 JUNE 2023

SUBJECT: REVENUE BUDGET MONITORING STATEMENT FOR THE PERIOD 1 APRIL TO 31 MAY 2023

BY: TREASURER TO THE BOARD

1. REASON FOR REPORT

- 1.1 To consider the Revenue Budget Monitoring Statement for the period 1 April to 31 May 2023.
- 1.2 To consider the proposal from Aberdeenshire Council for the Assessor to relocate to the second floor in Woodhill House.

2 RECOMMENDATION

2.1 It is recommended that the Board:

- i) **consider and note the Revenue Monitoring Statement to 31 May 2023; and**
- ii) **approve the relocation in principle and to authorise the Assessor to enter into negotiations with Aberdeenshire Council on the detailed terms of the lease.**

3. CURRENT POSITION

- 3.1 At its meeting on 27 January 2023, the Board agreed the Revenue Budget for 2023/24 (paragraph 4 of the Minute refers) be set at £5,210,000 and approved the requisitions to constituent authorities of £5,034,000, with £13,000 being funded from the the Electoral reform reserve and £163,000 being funded from the earmarked NDR reserve.
- 3.2 The **APPENDIX** shows the monitoring position to 31 May 2023 against the budget. It gives details of the 2023/24 Revenue Budget, actual expenditure to date and the variance of expenditure against budget to date.
- 3.3 Total net expenditure at 31 May 2023 is £752,000 which is an underspend against budget to date of £186,000.

3.4 There are currently 13 vacancies and recruitment is actively being carried out.

NDR Reform

3.5 There is £431,000 budgeted this year for continuing the implementation of the NDR reforms following the Barclay review. £163,000 will be funded from the balance in the earmarked reserve with a further £268,000 included in the requisitions from authorities.

3.6 Of the NDR budget, £394,000 is for staffing. As mentioned in para 3.4, recruitment is being actively pursued and within NDR Reform two valuer posts remain vacant.

3.7 The remainder of the NDR budget is in Supplies & Services for Postages, ICT, subscriptions etc, but there has been no spend to date on these areas.

Year to Date Variances

3.8 There is a £129,000 underspend against budget to date within employee costs. The variance arises from vacant posts in the establishment, including NDR posts not yet occupied, and a 5% pay award for 2023/24 which has been budgeted for but not yet agreed.

3.9 There is a small underspend on property costs of £7,000 .

3.10 There is a small variance of £1,000 within Transport Costs budgets.

3.11 Budgets within Supplies and Services are under by £49,000 with the main variance in Postages and ICT Maintenance; underspends of £43,000 and £5,000 respectively. This is not causing concern at this early stage of the year.

3.12 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.

4. RELOCATION OF OFFICE SPACE

4.1 As mentioned in the Budget Monitoring Report presented to the Board on 27 January 2023, the move to new office space in Woodhill House had been delayed last year into 2023/24. Further progress has now been made with the proposal set out below.

4.2

| Woodhill House Costs | Proposed £000 | Current £000 |
|-----------------------------|--------------------------|-------------------------|
| Rent | 71 | 125 |
| Service Charge | 93 | 88 |
| Rates | 64 | 61 |
| Total | 228 | 274 |

4.3 The proposed terms are higher than had been anticipated based on early discussions with Aberdeenshire Council but still results in an estimated saving of £46,000 for the next 3 years, with the current lease expiring on 31 March 2027.

5. CONCLUSION

5.1 The total net expenditure as at 31 May 2023 is £752,000 giving an underspend against budget to date of £186,000.

5.2 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.

5.3 A detailed revenue monitoring and estimated outturn statement will be reported at the Board meeting in November 2023.

5.4 A move to the second floor in Woodhill house would generate savings of around £46,000 per annum.

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| Author of Report: | Susan Alexander, Accountant. |
| Background papers: | Held within Accountancy Section, Moray Council |
| Date: | 22 June 2023 |